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EX PARTE OR LATE FILED

February 25, 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary Federal Communication Commission
445 12th Street, SW
Washington, DC 20554

ORIGINAL**EX PARTE PRESENTATION**

Re: *In the Matter of Petition of Southwestern Bell Telephone Company, Pacific Bell and Nevada Bell for Expedited Declaratory Ruling on Interstate IntraLATA Toll Dialing Parity, or in the Alternative, Various Other Relief, NSD File L-98-121; CC Docket No. 96-98* ✓

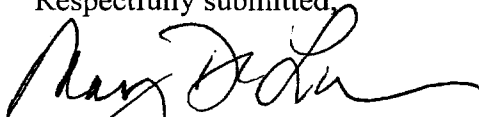
Dear Ms. Salas:

Attached are recent documents issued in state proceedings addressing intraLATA dialing parity implementation. An index is attached.

Please include this in the record of these proceedings in accordance with Section 1.1206 (a)(2) of the Commission Rules.

Please contact me should you have any questions at 202.887.3045.

Respectfully submitted,



Mary De Luca
Federal Regulatory

No. of Copies rec'd 0+3
List A B C D E

CC: Larry Strickling, Chief, Common Carrier Bureau
Yog Varma, Deputy Chief, Common Carrier Bureau
Chris Wright, General Counsel
Anna Gomez, Chief Network Services Division
Kurt Shroeder, Deputy Chief, Network Services Division
Gregory Cook, Network Services Division
Robin Smullen, Network Services Division

State Documents on IntraLATA Dialing Parity

SBC

1. TEXAS: Implementation Plan- SWBT-Texas, multiple documents, last dated August 25, 1998.
2. TEXAS: Administrative Law Judge Draft Decision, January 28, 1999
3. CALIFORNIA: Administrative Law Judge Draft Decision, January 7, 1999
4. CALIFORNIA: Joint IXC Comments to ALJ Draft Decision, January 28, 1999
5. CALIFORNIA: Pacific Bell Reply Comments, February 1, 1999
6. CALIFORNIA: Assigned Commissioner's Ruling, February 3, 1999
7. CALIFORNIA: Joint IXC Comments is response to Feb 3rd Order, February 7, 1999
8. OKLAHOMA: Order, February 8, 1999
9. MISSOURI: MCI-AT&T Joint Motion of Immediate Ruling, February 8, 1999
10. MISSOURI:SWBT Proposed Procedural Schedule, February 8, 1999

BellSouth

11. TENNESSEE: Report and Recommendation for Pre-Hearing, February 5, 1999
12. TENNESSEE: BellSouth Implementation Plan, February 3, 1999
13. NORTH CAROLINA: MCI Ex Parte in NSD File No. L-98-121 containing North Carolina Decision, January 22, 1999.

OTHERS

14. VIRGINIA: U.S. District Court for the Eastern District Court Decision, February 5, 1999
 15. IOWA: Iowa Utilities Board, USW request from delayed implementation, Oral Decision, February 5, 1999
 16. MICHIGAN: Ameritech Motion to Hold Case, State of Michigan Supreme Court, February 2, 1999
-

Christian A. Bourgeois
Senior Counsel

Southwestern Bell Telephone
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Phone 512 870-5712
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Southwestern Bell

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FEB 25 1999

FEDERAL COMMUNICATIONS COMMISSION
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August 25, 1998

ALJ Katherine D. Farroba
Public Utility Commission of Texas
1701 North Congress
Austin, TX 78701

Re: Docket No. 17000;
SWBT's 1+ IntraLATA toll dialing parity implementation plan

Dear Judge Farroba:

Enclosed please find SWBT's supplemental filing in the above docket. With this filing, SWBT believes the only remaining issue — carrier selection processes — is now resolved pursuant to the Commission's recommendations at the July 9, 1998 open meeting. Accordingly, SWBT's 1+ intraLATA toll dialing parity implementation plan can and should be administratively approved.

We would appreciate your approval of SWBT's plan as soon as possible for the reasons stated in the enclosed filing. Thanks.

Sincerely,


Christian A. Bourgeois

Enclosure

cc: Parties of record (fax)

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**SOUTHWESTERN BELL TELEPHONE COMPANY'S
SUPPLEMENTAL FILING TO ITS AMENDED 1+ INTRALATA TOLL
DIALING PARITY IMPLEMENTATION PLAN**

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PROJECT NO. 17000

Application of Southwestern Bell	§	Public Utility Commission
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**SOUTHWESTERN BELL TELEPHONE COMPANY'S
SUPPLEMENTAL FILING TO ITS AMENDED 1+ INTRALATA TOLL
DIALING PARITY IMPLEMENTATION PLAN**

Southwestern Bell Telephone Company (SWBT) submits the following supplemental filing to its amended 1+ intraLATA dialing parity implementation plan, based upon comments by the Commissioners during their July 9, 1998 open meeting. For the reasons below, SWBT requests the Administrative Law Judge (ALJ) to approve SWBT's plan as amended.

For months, SWBT's dialing parity implementation plan has been on hold pending resolution of the issue whether SWBT must file its carrier selection procedures as a condition for approval of its plan. The Commission has now resolved this issue in a manner that finally allows approval of SWBT's plan sooner rather than later.

In its July 14, 1998 order, the Commission held that it "leaves to the ALJ the discretion to determine the timing of SWBT's filing [of its carrier selection processes.]" Further, in reaching this decision, Chairman Wood expressly referenced GTE's implementation plan and explained:

I'm not sure why this really became such a big deal. ...I think Southwestern Bell adopted the Sprint recommendations for all the rest, and it looks like the GTE plan has gotten through here that apparently competitors and everybody are happy with. So let's just say incorporate that by reference and get this baby over with.
(7/9/98 Open Meeting at 220-21)

Chairman Wood also noted on this issue that "even in cases where we haven't required the specifics of a plan that if any competing party had a problem with the way that [carrier selection] was occurring, they could certainly bring it back here on a complaint." *Id.* at 220.

SWBT has examined Staff's recommendation on GTE's dialing parity implementation plan and attaches a copy of the same hereto as Exhibit A. Consistent with Chairman Wood's directions, SWBT hereby incorporates by reference that portion of GTE's plan dealing with carrier selection processes, appearing at pages 1-2 of Exhibit A hereto, which provide in full:

- A. GTESW will adopt a 2-PIC methodology which will allow customers to presubscribe to one telecommunications carrier for interLATA toll calls and to presubscribe to the same or different carrier for all intraLATA toll calls.
- B. Processes will be established to provide new customers with an opportunity to choose their intraLATA toll carrier from a list of available carriers in a manner consistent with interLATA selection process.
- C. On the date when interLATA toll presubscription is available, existing customers may presubscribe to any telecommunications carrier offering intraLATA toll services to their exchange.
- D. Customers who contact GTESW requesting new telephone exchange service may request GTESW read a randomly generated list of telecommunications carriers available to provide interLATA toll service. Upon implementation of intraLATA toll presubscription service to their exchange and in the event a new customer does not specify an intraLATA carrier, GTESW will offer to read a randomly generated list of carriers that provide intraLATA toll service to the customer's exchange.

Based on these statements, Staff recommended approval of GTE's dialing parity implementation plan and the Commission found them sufficient and satisfactory under Substantive Rule 23.103. Accordingly, and as Chairman Wood directed, SWBT asks the ALJ to "get this baby over with" and approve its plan as soon as possible.

The Commission's July 14 order gives the ALJ discretion to determine the timing of SWBT's filing of any additional information she might believe necessary to SWBT's plan, thus recognizing that such information could be provided *after* its plan is approved. SWBT further notes that because the Chairman Wood found "if any competing party had a problem with the way that [carrier selection] was occurring, they could certainly bring it back here on a complaint," *supra*, there is no need for additional delay in approving SWBT's plan. Anyone having a problem with SWBT's carrier selection will have the opportunity to file a complaint, another option clearly recognized by the Commission as sufficient to address any competitive concerns.

Finally, SWBT notes that although this docket has been linked to Checklist Item No. 12 in the Commission's Section 271 proceeding,¹ as a matter of law intraLATA toll dialing parity is not a Checklist Item. First, intraLATA toll dialing parity is governed solely by Section 271(e)(2), which requires such dialing parity only coincident with a BOC's exercise of its interLATA authority. See also PURA, § 55.009 (same effect). By contrast, Item No. 12 of the Competitive Checklist address only "local dialing parity," not intraLATA toll dialing parity. See 47 U.S.C. § 271(c)(2)(B)(xii). The FCC also has held that local dialing parity — i.e., Checklist Item No. 12 — "will be achieved upon implementation of the number portability and interconnection requirements of section 251."² Thus, satisfaction of this Checklist Item is not dependant on resolution of the instant docket.

Finally, there is obviously a possibility and incentive for some to delay this docket, as well as the Commission's collaborative process in the Section 271 project, over an issue which Chairman Wood expressed concern about becoming a "big deal." SWBT echoes this concern and asks the ALJ to approve its amended 1+ intraLATA toll dialing parity implementation plan based on the statements above.

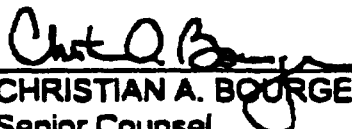
¹ See Project No. 16251, Order No. 25 at 10 (noting under Item 12 that SWBT's intraLATA dialing parity docket should be resolved before SWBT can satisfy that Checklist item).

² *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, Second Report and Order, FCC 96-333 at ¶ 71 (rel. August 8, 1996).

Respectfully submitted,

Melanie S. Fannin
Vice President & General Counsel
External Affairs - Texas

Ann E. Meuleman
General Counsel - Austin


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CERTIFICATE OF SERVICE

I, Christian A. Bourgeacq, Senior Counsel for Southwestern Bell Telephone Company, certify that a copy of this document was served on all parties of record via facsimile on August 25, 1998.



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PUBLIC UTILITY COMMISSION

RECOMMENDATION

DATE: July 18, 1997

TO: Office of Policy Development

FROM: Stephen Mendoza *SM*
Competitive Issues Division
Office of Regulatory Affairs

Marta Wilson, Asst. General
Legal Division
Office of Regulatory Affairs

DOCKET NO. 17044

UTILITY NAME: GTE Southwest Incorporated

Recommendation:

The Office of Regulatory Affairs (ORA) recommends that this matter be de-docketed and that the IntraLATA Equal Access (ILEA) Implementation Plan of GTE Southwest Incorporated (GTESW), pursuant to PUC Subst. R. 23.103, be APPROVED as filed on February 10, 1997, and amended on February 25, 1997, April 3, 1997 and May 8, 1997. ORA also recommends that Subst. R. §23.103(g)(3) be WAIVED. ORA recommends APPROVAL of GTESW's ILEA tariff sheets as filed on April 11, 1997 and amended on June 26, 1997. Both the implementation plan and the tariff sheets filed by GTESW and for which ORA recommends approval, apply to Costel of Texas, Inc. There is no privacy issue associated with this application.

Comments:

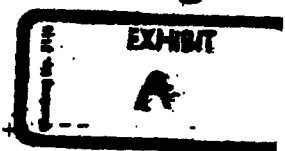
Provisions of PUC Subst. R. §23.103(d) require GTESW to explain how the company will implement ILEA:

- I. *§23.103(d)(1)(A)—An implementation plan shall describe the measures the CTU will take to make 2-PIC IntraLATA equal access available to all interexchange carriers and the state of Texas network in all areas of the state in which the CTU is certified to provide local exchange service.*
 - A. GTESW will adopt a 2-PIC methodology which will allow customers to presubscribe to one telecommunications carrier for interLATA toll calls and to presubscribe to the same or different carrier for all intraLATA toll calls.
 - B. Processes will be established to provide new customers with an opportunity to choose their intraLATA toll carrier from a list of available carriers in a manner consistent with the existing interLATA selection process.
 - C. On the date in which intraLATA toll presubscription is available, existing customers may presubscribe to any telecommunications carrier offering intraLATA toll services to their exchange.

GTE-SW LEGAL DEPT.		
COUNSEL/AUSTIN, TEXAS		
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D. Customers who contact GTESW requesting new telephone exchange service may request that GTESW read a randomly generated list of telecommunications carriers available to provide interLATA toll service. Upon implementation of intraLATA toll presubscription service to their exchange and in the event a new customer does not specify an intraLATA carrier, GTESW will offer to read a randomly generated list of carriers that provide intraLATA toll service to the customer's exchange.

II. *§23.103(d)(1)(B)—If a CTU does not implement intraLATA equal access simultaneously throughout its service territory, its implementation plan shall include a schedule of implementation specifying, for each wire center: (i) the Common Language Location Identifier (CLLI) code and exchange name; (ii) the month in which ILEA will be available; (iii) the type of switch serving the wire center; and (iv) a list of NPA-NOCs affected by the conversion to ILEA.*

GTESW does not propose to implement intraLATA equal access simultaneously throughout its service territory. GTESW has provided ORA with the information specified in §23.103 (d)(1)(B).

III. *§23.103(g)(2)(A)—A new customer who does not choose an intraLATA PIC shall dial a carrier access code to route his intraLATA toll calls to the carrier of his choice until the customer makes a permanent, affirmative selection for intraLATA 1+ and 0+ calls.*

- A. GTESW has indicated in its implementation plan a statement that customers who do not make a positive choice for an intraLATA toll carrier will be identified within GTESW's system as "no-PIC" and will not be automatically defaulted to a carrier.
- B. Customers identified as "no-PIC" within GTESW's systems will be required to dial the access code of a carrier to place intraLATA toll calls until they make an affirmative choice for an intraLATA toll carrier.

IV. *§23.103(g)(2)(B)—An existing customer who does not make a choice for intraLATA PIC when intraLATA equal access becomes available shall default to the serving CTU for intraLATA 1+ and 0+ calls where the serving CTU is an intraLATA toll provider. Otherwise, the customer shall dial a carrier access code to route his intraLATA toll calls to the carrier of his choice until he or she makes a permanent, affirmative selection for intraLATA 1+ and 0+ calls.*

- A. GTESW has specified that existing customers will default to GTESW until they affirmatively choose another intraLATA toll carrier.
- B. Existing customers may communicate their choice of carrier through their selected carriers or directly to GTESW through its residential or business customer contact centers.

V. *§23.103(g)(3)—Balloting of customers shall not be required in areas in which interLATA equal access is available.*

- A. On May 8, 1997, GTESW filed a motion for waiver of §23.103(g)(3) requesting that its motion to waive requirement to ballot for intraLATA equal access in twenty-one (21) identified exchanges be approved. The waiver was not opposed by any party.
- B. Due in part to the fact that interLATA equal access is now available in eleven of the twenty-one exchanges and due in part to the fact that interLATA balloting processes are already under way in the remaining ten exchanges converting between August 14 and September 25, 1997, ORA recommends approval of the waiver. All offices will be converted by September 25, 1997.

- C. GTESW's interstate tariff and FCC rules call for a ballooning process in which IXCs must notify GTE of their desire to be included on customer ballots for interLATA equal access 120 days prior to the end office conversion date. This timeline gives GTE time to print the ballots, distribute the ballots to customers, receive the ballots back and implement each customer's selection coincident with the end office conversion. This 120 day clock has been used by GTE for all interLATA equal access conversions and is well-known by the IXCs.
- D. GTE has twenty-one (21) offices for which the 120 day clock has already started. The 120 day clock had started for all of the twenty-one offices as of May 25, 1997.
- E. It will therefore be extremely difficult, if not impossible, for GTE to ballot these offices for interLATA equal access coincident with ballooning for interLATA equal access, or before the implementation of interLATA equal access.

VI. §23.103(d)(4)-Initial PIC request. A customer's initial PIC request, made prior to implementation or within six months after implementation of interLATA equal access, shall be made at no charge. Thereafter, a CTU may bill the customer a PIC change charge at a rate no greater than the rate for selection of an interLATA PIC.

GTESW will not apply a PIC change fee for the customer's initial interLATA toll carrier choice regardless of the time that elapses. All subsequent interLATA PIC changes will be assessed a PIC change charge.

Both AT&T and MCI intervened in GTESW's original implementation plan. In MCI's motion for intervention, it stated that GTESW "does not provide sufficient information regarding the operational, administrative, and other related processes that Applicant will institute in implementing its interLATA equal access dialing." AT&T stated in its motion for intervention that it did not believe GTESW's proposed implementation plan "has fully complied with P.U.C. SUBST. R. 23.103, The Telecommunications Act of 1996, or state law". Subsequent to these motions for intervention, GTESW filed a revised implementation plan and tariffs.

On June 27, 1997, AT&T withdrew its interventions and objection to GTESW's implementation plan. On July 10, 1997, MCI also withdrew its opposition to GTESW's IEA implementation plan. ORA asserts that the application meets the requirements for informal disposition under PUC Proc. R. 22.35 Since no contested issues of fact or law remain, ORA asserts that no hearing is necessary. More than 30 days have passed since completion of the notice requirements. ORA recommends that the application be approved expeditiously so that interLATA equal access can be implemented as scheduled in the implementation plan.

GTESW also filed IEA tariff sheets. ORA also recommends approval of the following tariff sheets:

Tariff Sheets for GTESW:	Sections	Sheets
State Access Tariff	Table of Contents	9th Revised Title Page 4
State Access Tariff	Table of Contents	Original Title Page 4.1
State Access Tariff	Table of Contents	4th Revised Title Page 11
State Access Tariff	Section 6	2nd Revision Index Page 1
State Access Tariff	Section 6	Original Index Page 2
State Access Tariff	Section 6	4th Revised Page 1
State Access Tariff	Section 6	1st Revised Page 3
State Access Tariff	Section 6	Original Page 3.1

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State Access Tariff	Section 6	Original Page 3.2
State Access Tariff	Section 6	Original Page 3.3
State Access Tariff	Section 6	Original Page 3.4
State Access Tariff	Section 6	Original Page 3.5
State Access Tariff	Section 6	Original Page 3.6
State Access Tariff	Section 6	Original Page 3.7
State Access Tariff	Section 6	Original Page 3.8
State Access Tariff	Section 6	1st Revised Page 13
State Access Tariff	Section 6	Original Page 14
State Access Tariff	Section 6	Original Page 15
State Access Tariff	Section 6	Original Page 16
State Access Tariff	Section 6	Original Page 17

Tariff Sheets for Central of Texas, Inc.:

Tariff	Section	Sheet
Access Service Tariff	Table of Contents	2nd Revised Title Sheet No. 2
Access Service Tariff	Table of Contents	1st Revised Title Sheet No. 2.1
Access Service Tariff	Table of Contents	2nd Revised Title Sheet No. 5
Access Service Tariff	Table of Contents	Original Title Sheet No. 5.1
Access Service Tariff	Table of Contents	1st Revised title Sheet No. 6
Access Service Tariff	Section 6	1st Revised Index Sheet No. 1
Access Service Tariff	Section 6	Original Sheet No. 34
Access Service Tariff	Section 6	Original Sheet No. 35
Access Service Tariff	Section 6	Original Sheet No. 36
Access Service Tariff	Section 6	Original Sheet No. 37
Access Service Tariff	Section 6	Original Sheet No. 38
Access Service Tariff	Section 6	Original Sheet No. 39
Access Service Tariff	Section 6	Original Sheet No. 40
Access Service Tariff	Section 6	Original Sheet No. 41
Access Service Tariff	Section 6	Original Sheet No. 42
Access Service Tariff	Section 6	Original Sheet No. 43
Access Service Tariff	Section 6	Original Sheet No. 44
Access Service Tariff	Section 6	Original Sheet No. 45
Access Service Tariff	Section 6	Original Sheet No. 46
Access Service Tariff	Section 6	Original Sheet No. 47
Access Service Tariff	Section 6	Original Sheet No. 48
Access Service Tariff	Section 6	Original Sheet No. 49
Access Service Tariff	Section 6	Original Sheet No. 50
Access Service Tariff	Section 6	Original Sheet No. 51
Access Service Tariff	Section 6	Original Sheet No. 52

GTSW find reviews of these tariff sheets in Item No. 16 of this decision on June 26, 1997. There are the tariff sheets for which ORA is recommending approval.

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Christian A. Bourgeacq
Senior Counsel

Southwestern Bell Telephone
1616 Guadalupe, Room 600
Austin, Texas 78701
Phone 512 870-5712
Fax 512 870-5420



December 18, 1997

Mr. James Galloway
Filing Clerk
Public Utility Commission of Texas
1701 North Congress Ave.
Austin, Texas 78701

Re: Project No. 17000; Application of Southwestern Bell Telephone Company for approval of intraLATA toll equal access (dialing parity) implementation plan

Dear Mr. Galloway:

This letter transmits Southwestern Bell Telephone Company's (SWBT) amended intraLATA toll equal access (dialing parity) implementation plan. Although SWBT asserts that its original plan fully complies with all requirements of P.U.C. SUBST.R. 23.103, SWBT amends its plan so that it appears virtually identical to others that the Commission has recently approved. Accordingly, SWBT requests administrative approval of the enclosed plan, as provided in Rule 23.103(e), or an immediate prehearing conference to determine what, if any, real issues are presented in this matter.

Please call me with any questions concerning the above. Thanks.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Bourgeacq", written in a cursive style.

Christian A. Bourgeacq

cc: Martin Wilson, Asst. General Counsel, PUC (hand delivered)
Parties of record (U.S. Mail)

SWBT

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SOUTHWESTERN BELL TELEPHONE COMPANY'S AMENDED INTRALATA EQUAL ACCESS/DIALING PARITY IMPLEMENTATION PLAN

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PROJECT NO. 17000

**Application of Southwestern Bell Telephone Company
for Approval of IntraLATA Equal Access (i.e., Dialing Parity)
Implementation Plan
Pursuant to P.U.C. Subst. Rule 23.103**

**Amended
IntraLATA Equal Access/Dialing Parity Implementation Plan**

December 18, 1997

I. OBJECTIVE/PURPOSE

In compliance with FCC Order 96-333, CC Docket No. 96-98, and Texas Public Utility Commission Subst. Rule § 23.103, Southwestern Bell Telephone Company (SWBT) is filing the company's amended plan (the Plan) for implementing IntraLATA Equal Access, or 1+ intraLATA toll dialing parity, in the SWBT exchanges located in Texas.

The intent of the Plan is to provide a proposal that, upon implementation, would provide customers the ability "to route automatically without the use of access codes, their telecommunications to the telecommunications services provider of their designation" for intraLATA toll calls.

II. IMPLEMENTATION SCHEDULE

SWBT will offer dialing parity for intraLATA toll in all of its Texas exchanges listed on Attachment A hereto (previously filed in SWBT's original plan), pursuant to Section 271(e)(2) of the federal Telecommunications Act of 1996 or as otherwise required by law.

SWBT customers in Texas currently dial seven or ten digits to complete local exchange calls. This schedule applies only to those calls dialed 1+ and 0+ and carried within the customer's LATA.

III. CARRIER SELECTION PROCEDURES

SWBT will implement the full 2-PIC carrier selection methodology as established in the FCC Order, PUC Subst. R. § 23.103, or as otherwise required by law. With full 2-PIC methodology, customers will be able to presubscribe to one telecommunications carrier for interLATA toll calls and to presubscribe to the same or a different participating telecommunications carrier, including SWBT or its affiliate, for all intraLATA toll calls.

SWBT employees who communicate with customers, accept orders and serve in customer service capacities will be trained to explain the process to customers for making PIC changes for intraLATA toll calls. Business office personnel will be prepared to make changes in customer records based upon requests from customers or carriers. Processes will be established to provide new customers with an opportunity to choose their intraLATA toll carrier from a list of available carriers in a manner consistent with the existing interLATA selection process.

IV. EXISTING CUSTOMERS

On the date in which intraLATA toll presubscription is available, customers may presubscribe to SWBT or any telecommunications carrier offering intraLATA toll services to their exchange. Existing customers will remain with SWBT until they affirmatively choose another intraLATA toll carrier. Customers may make this selection

through their own initiative or as a result of the promotional marketing activities of participating intraLATA toll telecommunications carriers. Customers may communicate their choice of carriers directly to SWBT through the local Business office or indirectly through their selected carriers. For the customer's initial intraLATA toll carrier choice, a PIC change fee will not be applied by SWBT as long as the change is made within the first six months after implementation. All subsequent intraLATA toll PIC changes will be assessed a PIC change charge.

V. NEW CUSTOMERS

Customers who contact SWBT requesting new telephone exchange service are currently being provided a list of telecommunication carriers available to provide interLATA toll service. Upon implementation of intraLATA toll presubscription service to their exchange, new customers will be provided a second list of carriers (after the list of interLATA toll carriers is presented), including SWBT or its affiliate, that provide intraLATA toll service to their exchange. The list of intraLATA toll carriers will be presented in a competitively neutral manner using the same procedures which are utilized today for interexchange carriers. Pursuant to Paragraph 81 of the FCC's Second Report and Order, and PUC Subst. R. § 23.103(g)(2)(A), customers who do not make a positive choice for an intraLATA toll carrier will be identified within SWBT's system as a "no-PIC" and will not be automatically defaulted to a carrier. Customers identified as "no-PIC" within SWBT's system will be required to dial an access code of a carrier to place intraLATA toll calls until they make an affirmative choice for an intraLATA toll carrier.

VI. CUSTOMER NOTIFICATION

Customers will be notified in the month prior to the implementation of intraLATA toll dialing parity to their exchange via a bill insert. The customer notification will be consistent with the PUC Subst. R. § 23.103(i). SWBT anticipates that promotional strategies by carriers will contribute to customer awareness of intraLATA toll dialing options.

VII. CARRIER NOTIFICATION

Current interexchange carriers will be notified of SWBT's IntraLATA equal access implementation via letter in advance of the proposed implementation date. Carriers should provide SWBT a list of exchanges in which they plan to offer intraLATA toll so that SWBT can include the carrier on the list of participating carriers in each SWBT exchange. Certified carriers who enter the market after implementation will be added to the list of participating carriers within 30 days of notifying SWBT.

VIII. COST RECOVERY

As stated in PUC Subst. R. § 23.103(f), a Dominant Certified Telecommunications Utility (DCTU) may recover its total service long-run incremental cost of implementing toll dialing parity. The LEC is to use a cost recovery mechanism established by the State.

SWBT will file within six months after implementing this Plan its application for approval of a tariff imposing a surcharge for recovery of the costs. This application will request the incremental cost associated with implementing toll dialing parity by SWBT, including, but not limited to:

1. Network hardware upgrades to provide full 2-PIC methodology in all exchanges.
2. Central office software upgrades necessary for intraLATA presubscription
3. Software translations
4. Billing systems testing and table modifications
5. Training for Business Office, Carrier Services, Customer Services and Service Center Personnel
6. Customer notification (bill messages)
7. Implementation activity

IX. CONCLUSION

Based on the information provided herein, as well as in SWBT's original application and discovery responses, SWBT requests this application be administratively approved pursuant to P.U.C. SUBST.R. 23.103(e), consistent with identical applications that have been approved by this Commission.



January 30, 1997

Christian A. Bourgeois
Attorney

Ms. Paula Mueller
Secretary of the Commission
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78701

#17000

**Re: Southwestern Bell Telephone Company's Implementation Plan
for Texas 1+ Equal Access or IntraLATA Toll Dialing Parity**

Dear Ms. Mueller:

Enclosed are the original and twelve (12) copies of Southwestern Bell Telephone Company's Implementation Plan for Texas 1+ Equal Access or IntraLATA Toll Dialing Parity.

Sincerely,

A handwritten signature in cursive script that reads "Christ A. Bourgeois".

Christian A. Bourgeois

Enclosures

cc: General Counsel, PUC (hand delivered)
Central Records, PUC (hand delivered)

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**SOUTHWESTERN BELL TELEPHONE COMPANY'S
IMPLEMENTATION PLAN FOR TEXAS
1+ EQUAL ACCESS OR INTRALATA TOLL DIALING PARITY**

Southwestern Bell will provide intraLATA toll dialing parity in Texas coincident with its offering of in-region interLATA toll service, as required by the Telecommunications Act of 1996 and the FCC's Second Report and Order and Memorandum Opinion and Order adopted August 8, 1996 and Section 3.219(c) of the Public Utility Regulatory Act of 1995.

Once authority is granted by the Federal Communication Commission and Southwestern Bell exercises such authority, Southwestern Bell will make intraLATA toll dialing parity available within all Texas LATAs utilizing the "full two PIC method".

All Southwestern Bell end offices in Texas will be loaded with the necessary dual PIC software to support the "full two PIC" method by June 1, 1997. An Accessible Letter (Southwestern Bell's industry notification letter) will be provided to all interexchange carriers within Southwestern Bell Telephone territory notifying them of Southwestern Bell's intent to offer intraLATA toll dialing parity and providing instructions regarding potential network changes.

All Southwestern Bell affected operating support systems were upgraded on December 28, 1996 to accommodate dual PIC functionality. Southwestern Bell is developing carrier-neutral operational, administrative and other processes to implement customer selection of another intraLATA toll carrier and to provide intraLATA toll dialing parity. Southwestern Bell's processing of intraLATA PIC changes will mirror the current interLATA PIC change process.

Southwestern Bell attaches hereto schedules indicating the switches to be affected by the implementation plan.

Texas Offices As Of August 1 1997

EXCHANGE	ENTITY	EQUIPMENT
ABLN-ORCHARD	ABLNTXORCG0	1AAP
ABLN-ORCHARD	ABLNTXORDC5	D1/2
ABLN-ORCHARD	ABLNTXORRS1	5ORM
ABLN-OWEN	ABLNTXOWDS0	5ES
ADAMSVILLE 768	ADVLTXAVERS0	AXRS
AGTN-DANBURY 922	AGTNTXDARS0	AXRS
AGTN-TILDEN 849	AGTNTXTIDS0	AXE
ALBANY 762	ALBYTXPORS0	5RSM
ALICE 664	ALICTXALDS0	EXM2
ALLEN	ALLNTXSADS0	5ES
ALLISON 375	ALSNTXALRS0	AXRS
ALPINE 837	ALPITXAPDS0	AXE
ALVARADO 783	ALVDTXTIRS0	RSC
AMRL-DIAMOND	AMRLTXDIRS0	5RSM
AMRL-EVERGREEN	AMRLTXEVDS0	EXM2
AMRL-FLEETWOOD	AMRLTXFLDS0	5ES
AMRL-OSAGE 622	AMRLTXOSRS0	AXRS
AMRL-TENTH	AMRLTX02CG0	1AAP
AMRL-TENTH	AMRLTX02DC5	D1/2
AMRL-TENTH	AMRLTX02RS1	5ORM
ANNA 924	ANNATXWARSO	AXRS
ANSON 823	ANSNTXANRS0	5RSM
ASHERTON 468	ASTNTXASRS0	AXRS
ATLANTA 796	ATLNTXSWDS0	AXE
AUBREY	ABRYTXGIDS0	D10
AUBREY	ABRYTXGIRS0	5ORM
AUST-BEECAVES	AUSTTXBCRS0	RSC
AUST-BEECAVES	AUSTTXBCRS2	RDGT
AUST-BEECREEK	AUSTTXBERS0	RSC
AUST-CEDAR VALLEY	AUSTTXCVDS0	AXE
AUST-CEDAR VALLEY	AUSTTXCVRS1	RDGT
AUST-CREEDMOOR	AUSTTXCRRS0	RSC
AUST-EVERGREEN	AUSTTXEVDS0	D100
AUST-EVERGREEN	AUSTTXEVRS2	5ORM
AUST-FAIRFAX	AUSTTXFADS0	D100
AUST-FAIRFAX	AUSTTXFARS1	5ORM
AUST-FIRESIDE	AUSTTXFIDS0	5ES
AUST-FIRESIDE	AUSTTXIBRS0	RDGT
AUST-GREENWOOD	AUSTTXGRCG0	1AAP
AUST-GREENWOOD	AUSTTXGRCG1	1AAP
AUST-GREENWOOD	AUSTTXGRDS2	D1/2
AUST-GREENWOOD	AUSTTXGRRS0	5ORM
AUST-GREENWOOD	AUSUTXENRL0	RSCS
AUST-HICKORY	AUSTTXHIDS0	5ES
AUST-HOMESTEAD	AUSTTXHOCG0	1AAP
AUST-HOMESTEAD	AUSTTXHODS0	5ES
AUST-HUNTLAND	AUSTTX02RL0	RSC
AUST-HUNTLAND	AUSTTX02RS1	RDGT

Texas Offices As Of August 1 1997

AUST-JOLLYVILLE	AUSTTXJOCG0	1AAP
AUST-JOLLYVILLE	AUSTTXJORS1	5ORM
AUST-LAKE TRAVIS	AUSTTXLTRS0	5RSM
AUST-LAKE TRAVIS	AUSTTXLTRS2	5ORM
AUST-LAKEWAY	AUSTTXLWRS0	RSC
AUST-LEANDER	AUSTTXLEDS0	5ES
AUST-MANCHACA	AUSTTXMCDS0	D100
AUST-MANCHACA	AUSTTXMCRS1	RDGT
AUST-MANOR	AUSTTXMADS0	5ES
AUST-MARSHALL FORD	AUSTTXMFRS0	RSC
AUST-PFLUGERVILLE	AUSTTXPFDS0	5ES
AUST-ROUND ROCK	AUSTTXRRDS0	5ES
AUST-TENNYSON	AUSTTXTECG0	1AAP
AUST-TENNYSON	AUSTTXTERS1	5ORM
AUST-TWINBROOK	AUSTTXTWDS0	D100
AUST-TWINBROOK	AUSTTXTWRS1	RDGT
AUST-WALNUT	AUSTTXWADS0	5ES
BANDERA 796	BNDRTXBDRS0	AXRS
BARTLETT 527	BRTLTXBRRS0	RSCS
BASTROP	BSTRTXBDS0	D100
BATESVILLE 376	BTVLTXBVR0	AXRS
BAY CITY 244	BYCYTXBYDS0	EXM2
BAYSIDE 529	BYSDTXBYRS0	AXRS
BEEVILLE 358	BEVLTXBVDS0	AXE
BELLEVUE 928	BLLVTFRRS0	AXRS
BELLVILLE 865	BLVLTXBLRS0	AXRS
BELTON	BETNTXBEDS0	D100
BENAVIDES 256	BNVDTXBNRS0	RSCS
BIG SPRING 263	BGSPTXBDS0	5ES
BIG WELLS 457	BGWLTXBWRS0	AXRS
BORGER 273	BRGRTXBGDS0	AXE
BOWIE 872	BOWTXTRRS0	AXRS
BRACKETTVILLE 563	BAVLTXBKRS0	AXRS
BRECKENRIDGE 559	BRRGTXHIDS0	AXE
BRENHAM	BRHMTXBRDS0	D100
BRIDGE CITY 735	BRCYTXBRDS0	AXE
BRUNI 747	BRUNTXBRRS0	RLCM
BUMT-TERMINAL	BUMTTXTECG0	1AAP
BUMT-TERMINAL	BUMTTXTEDS0	5ES
BUMT-TERMINAL	BUMTTXTEDS1	D1/2
BUMT-TWINBROOK	BUMTTXTWDS0	D100
BUMT-TWINBROOK	BUMTTXTWRS1	5ORM
BUMT-UNIVERSITY	BUMTTXUNDS0	EXM2
BUMT-UNIVERSITY	BUMTTXUNRS1	5ORM
BUMT-VICTOR	BUMTTXVIDS0	EXM2
BUMT-VICTOR	BUMTTXVIRS1	5ORM
BUNA 994	BUNATXBURS0	RSC
BURKBURNETT 569	BRKBTXEFRS0	AXRS
BWWL-LINCOLN	BWWLTXLIDS0	5ES

Texas Offices As Of August 1 1997

BWVL-OLMITO	BWVLTXOLRS0	5RSM
BWVL-TERMINAL	BWVLXTEDS0	D10
CALVERT 364	CLVTTXCLRS0	AXRS
CAMERON 697	CMRNTXCMRS0	RSCS
CAMPBELLTON 579	CMTNTXCBS0	AXRS
CANADIAN 323	CNDNTXCDS0	5RSM
CANUTILLO 877	CNTLTXMARS0	5RSM
CANYON 655	CNYNTXCYS0	AXE
CARRIZO SPRINGS 876	CRSPTXCSDS0	AXE
CARTHAGE	CRTHTXOXDS0	5ES
CASTROVILLE 538	CSVLTXCTDS0	AXE
CATARINA 999	CTRNTXCRRS0	AXRS
CELINA 382	CELNTXDURS0	AXRS
CENTER 598	CNTRTXCND0	AXE
CHILDRESS 937	CHLDTXWERS0	AXRS
CHILLICOTHE	CHLCTXULRS0	AXRS
CHINA	CHINTXCHRS0	RCDO
CHIRENO 362	CHRNTXCHRS0	AXRS
CHRISTINE 784	CHRSTXCHRS0	AXRS
CISCO 442	CISCTXHRS0	RSCS
CLEBURNE	CLBNTXMIDS0	5ES
CLEVELAND 592	CLEVTXCLDS0	5ES
CLINT 851	CLNTTXMARS0	5RSM
CLUT-CLUTE	CLUTTXCLDS0	EXM2
CLUT-LAKE JACKSON	CLUTTXLJDS0	EXM2
COLORADO CTY 728	CLCYTXCCRS0	AXRS
COLUMBUS 732	CLMBTXCLRS0	AXRS
CORRIGAN 398	CRGNTXCRDS0	AXE
CORSICANA	CRSCTXTRDS0	D100
COTULLA 879	CTLLTXCORS0	AXRS
CRANE 558	CRANTXCRRS0	5RSM
CRCH-BUTLER	CRCHTXBURS0	RSCS
CRCH-BUTLER	CRCHTXBURS1	5ORM
CRCH-BUTLER	CRCHTXBURS2	RSCS
CRCH-CALLEN	CRCHTXCADS0	D100
CRCH-FLOUR BLUFF	CRCHTXFBDS0	D100
CRCH-PADRE	CRCHTXPDRS0	RSCS
CRCH-TERMINAL	CRCHTXTECG0	1AAP
CRCH-TERMINAL	CRCHTXTERS1	5ORM
CRCH-TULIP	CRCHTXTUCG0	1AAP
CRCH-TULIP	CRCHXTUDS0	5ES
CRCH-TULIP	CRCHXTURS0	RSC
CRCH-TULIP	CRCHXTU03T	D200
CRCH-WYMAN	CRCHTXWYDS0	D100
CRCH-WYMAN	CRCHTXWYRS1	5ORM
CRYSTAL CITY 374	CRCYTXCCRS0	AXRS
CUERO 275	CUERTXCRL0	AXRS
DAYTON 258	DYTNXXDYRS0	AXRS
DAYTON 258	DYTNXXDYRS1	AXRS

Texas Offices As Of August 1 1997

DEADWOOD 622	DDWDTXMARS0	AXRS
DENISON	DESNTXHODS0	5ES
DEVINE 663	DEVNTXDVDS0	AXE
DEWEYVILLE	DWWLTXDWRS0	RSC
DLLS-ADDISON	DLLSTXADCG0	1AAP
DLLS-ADDISON	DLLSTXADDSD0	D100
DLLS-ADDISON	DLLSTXADRL0	RLCM
DLLS-ADDISON	DLLSTXADRS0	5ORM
DLLS-ADDISON	DLLSTXADRS1	RCU
DLLS-ADDISON	DLLSTXADRS3	5ORM
DLLS-CEDAR HILL	DLLSTXCHDS0	5ES
DLLS-CEDAR HILL	DLLSTXCHRS1	RCU
DLLS-DANIELDALE	DLLSTXDNDSD0	5ES
DLLS-DANIELDALE	DLLSTXDNRSD1	RCU
DLLS-DAVIS	DLLSTXDACG0	1AAP
DLLS-DAVIS	DLLSTXDARL0	RLCM
DLLS-DAVIS	DLLSTXDARS1	RCU
DLLS-DAVIS	DLLSTXDARS2	5ORM
DLLS-DESOTO	DLLSTXDSDSD0	5ES
DLLS-DESOTO	DLLSTXDSDRS1	RCU
DLLS-DIAMOND	DLLSTXDICG0	1AAP
DLLS-DIAMOND	DLLSTXDIRS1	RCU
DLLS-DIAMOND	DLLSTXDIRS2	5ORM
DLLS-DUNCANVILLE	DLLSTXDVCG0	1AAP
DLLS-DUNCANVILLE	DLLSTXDVRS1	RCU
DLLS-DUNCANVILLE	DLLSTXDVRS2	5ORM
DLLS-EMERSON	DLLSTXEMDS0	5ES
DLLS-EMERSON	DLLSTXEMRS1	RCU
DLLS-EVERGREEN	DLLSTXEVDSD0	5ES
DLLS-EVERGREEN	DLLSTXEVRSD1	RCU
DLLS-EXPRESS	DLLSTXEXDS0	5ES
DLLS-EXPRESS	DLLSTXEXRS1	RCU
DLLS-FARMERS BRANCH	DLLSTXFBCG0	1AAP
DLLS-FARMERS BRANCH	DLLSTXFBRSD1	RCU
DLLS-FARMERS BRANCH	DLLSTXFBRSD2	5ORM
DLLS-FEDERAL	DLLSTXFEDSD0	5ES
DLLS-FEDERAL	DLLSTXFERS1	RCU
DLLS-FLEETWOOD	DLLSTXFLDS0	5ES
DLLS-FLEETWOOD	DLLSTXFLRS1	RCU
DLLS-FRANKLIN	DLLSTXFRCG0	1AAP
DLLS-FRANKLIN	DLLSTXFRRSD1	RCU
DLLS-FRANKLIN	DLLSTXFRRSD2	5ORM
DLLS-GRAND PRAIRIE	DLLSTXGPCG0	1AAP
DLLS-GRAND PRAIRIE	DLLSTXGPRSD1	RCU
DLLS-GRAND PRAIRIE	DLLSTXGPRSD2	5ORM
DLLS-HAMILTON	DLLSTXHACG0	1AAP
DLLS-HAMILTON	DLLSTXHARSD1	RCU
DLLS-HAMILTON	DLLSTXHARSD2	5ORM
DLLS-HUTCHINS	DLLSTXHUSD0	5ES

Texas Offices As Of August 1 1997

DLLS-HUTCHINS	DLLSTXHURS1	RCU
DLLS-LAKESIDE	DLLSTXLADS0	5ES
DLLS-LAKESIDE	DLLSTXLARS1	RCU
DLLS-LANCASTER	DLLSTXLNDS0	5ES
DLLS-LANCASTER	DLLSTXLNRS1	RCU
DLLS-MELROSE	DLLSTXMECG0	1AAP
DLLS-MELROSE	DLLSTXMECG1	1AAP
DLLS-MELROSE	DLLSTXMERS0	5ORM
DLLS-MELROSE	DLLSTXMERS1	RCU
DLLS-MELROSE	DLLSTXMERS3	5ORM
DLLS-MESQUITE	DLLSTXGDRS0	5ORM
DLLS-MESQUITE	DLLSTXMSDS0	5ES
DLLS-MESQUITE	DLLSTXMSRS1	RCU
DLLS-MID CITIES	DLLSTXMCCG0	1AAP
DLLS-MID CITIES	DLLSTXMCD0	5ES
DLLS-MID CITIES	DLLSTXMCRS0	RSC
DLLS-MID CITIES	DLLSTXMCRS1	RCU
DLLS-MID CITIES	DLLSTXMCRS2	RCU
DLLS-NORTH MESQUITE	DLLSTXNMCG0	1AAP
DLLS-NORTH MESQUITE	DLLSTXNMRS1	RCU
DLLS-NORTH MESQUITE	DLLSTXNMRS2	5ORM
DLLS-NORTHLAKE	DLLSTXNODS0	5ES
DLLS-NORTHLAKE	DLLSTXNORS0	5ORM
DLLS-NORTHLAKE	DLLSTXNORS1	RCU
DLLS-RENNER	DLLSTXRECG0	1AAP
DLLS-RENNER	DLLSTXRERS1	RCU
DLLS-RENNER	DLLSTXRERS2	5ORM
DLLS-RICHARDSON	DLLSTXRNDS0	5ES
DLLS-RICHARDSON	DLLSTXRNRS0	5ORM
DLLS-RIVERSIDE	DLLSTXRICG2	1AAP
DLLS-RIVERSIDE	DLLSTXRIDS0	5ES
DLLS-RIVERSIDE	DLLSTXRIRS0	RSC
DLLS-ROSS AVENUE	DLLSTXRODS0	5ES
DLLS-ROSS AVENUE	DLLSTXRORS1	RCU
DLLS-RYLIE	DLLSTXRYDS0	5ES
DLLS-RYLIE	DLLSTXRYRS1	RCU
DLLS-SEAGOVILLE	DLLSTXSEDS0	5ES
DLLS-SEAGOVILLE	DLLSTXSERS1	RCU
DLLS-SUNNYVALE	DLLSTXSUDS0	EXM2
DLLS-SUNNYVALE	DLLSTXSURS1	RCU
DLLS-TAYLOR	DLLSTXTADS0	5ES
DLLS-TAYLOR	DLLSTXTARS1	RCU
DLLS-TAYLOR	DLLSTXTA04T	D1/2
DLLS-WHITEHALL	DLLSTXWHCG0	1AAP
DLLS-WHITEHALL	DLLSTXWHRS1	RCU
DLLS-WHITEHALL	DLLSTXWHRS2	5ORM
DONNA 464	DONNTXDODS0	AXE
EAGLE LAKE 234	EGLKTXEGDS0	AXE
EAGLE PASS-PROSPECT	EGPSTXEPDS0	D100

Texas Offices As Of August 1 1997

EASTLAND 629	ESLDTXMARS0	RSCS
EDCOUCH 262	EDCHTXEDRS0	AXRS
EDGEWOOD	EDWDTXTWRS0	RSCS
EDINBURG 383	EDBGTXEBCG0	1AAP
EDNA 782	EDNATXEDRL0	AXRS
EL CAMPO	ELCMTXELDS0	EXM2
ELGIN 285	ELGNTXELRS0	AXRS
ELPS-EAST	ELPSTXEADS0	D100
ELPS-EAST	ELPSTXEARS1	5ORM
ELPS-HACIENDA	ELPSTXHADS0	D100
ELPS-HACIENDA	ELPSTXHARS1	5ORM
ELPS-HORIZON	ELPSTXHCRS0	5RSM
ELPS-MAIN	ELPSTXMACG0	1AAP
ELPS-MAIN	ELPSTXMADC5	D200
ELPS-MAIN	ELPSTXMARS1	5ORM
ELPS-MCCOMBS	ELPSTXMDS0	5ES
ELPS-NORTH	ELPSTXNODS0	5ES
ELPS-NORTHEAST	ELPSTXNECG0	1AAP
ELPS-NORTHEAST	ELPSTXNERS1	5ORM
ELPS-SANDHILLS	ELPSTXSHDS0	5ES
ELPS-SOUTHEAST	ELPSTXSECG0	1AAP
ELPS-SOUTHEAST	ELPSTXSERS1	5ORM
ELPS-YSLETA	ELPSTXYSDS0	5ES
ENCINAL 948	ENCLTXECRS0	AXRS
ENNIS	ENNSTXTRDS0	D100
EVADALE 276	EVDLTXEVR0	RSC
FALCON HEIGHTS 848	FLHGTXFHRS0	AXRS
FANNETT 794	FNNTTXFNRS0	RSC
FARMERSVILLE 782	FRVLTXSTRS0	AXRS
FLATONIA 865	FLTOTXFLRL0	AXRS
FLOYDADA	FLDDTXFLRS0	RSC
FORNEY	FRNYTXHIRS0	RSCS
FREEPORT	FRPTTXFRDS0	5ES
FREER 394	FRERTXFRRS0	RSCS
FRISCO-COLONY	FRSCTXCDS0	EXM2
FRISCO-ESSEX 377	FRSCTXESDS0	5ES
FRISCO-LITTLE ELM	FRSCTXWERS0	5RSM
FT DAVIS 426	FTDVTXFDRS0	AXRS
FT STOCKTON 336	FTSTTXFSRS0	AXRS
FTWO-ALEDO	FTWOTXALRS0	5RSM
FTWO-ARLNGTN CR	FTWOTXCRCG1	1AAP
FTWO-ARLNGTN CR	FTWOTXCRDS0	D100
FTWO-ARLNGTN CR	FTWOTXCRRS1	RCU
FTWO-ARLNGTN CR	FTWOTXCRRS2	5ORM
FTWO-ARLNGTN SO	FTWOTXARCG0	1AAP
FTWO-ARLNGTN SO	FTWOTXARRS1	RCU
FTWO-ARLNGTN SO	FTWOTXARRS2	5ORM
FTWO-ATLAS	FTWOTXATCG0	1AAP
FTWO-ATLAS	FTWOTXATRS1	RCU

Texas Offices As Of August 1 1997

FTWO-ATLAS	FTWOTXATRS2	5ORM
FTWO-BENBROOK	FTWOTXBBDS0	5ES
FTWO-BURLESON	FTWOTXBND0	5ES
FTWO-BURLESON	FTWOTXBNS1	RCU
FTWO-CARTER FIELD	FTWOTXCFRS0	RSC
FTWO-CARTER FIELD	FTWOTXCFRS1	RSC
FTWO-CARTER FIELD	FTWOTXCFRS2	RSC
FTWO-CARTER FIELD	FTWOTXCFRS3	RSC
FTWO-CARTER FIELD	FTWOTXCFRS4	RSC
FTWO-CENTREPORT	FTWOTXCPDS0	D100
FTWO-CROWLEY	FTWOTXBYDS0	5ES
FTWO-EAGLE MTN LAKE	FTWOTXBERS0	RSC
FTWO-EDGECLIFF	FTWOTXECCG0	1AAP
FTWO-EDGECLIFF	FTWOTXECSR1	RCU
FTWO-EDGECLIFF	FTWOTXECSR2	RSLU
FTWO-EDISON	FTWOTXEDCG0	1AAP
FTWO-EDISON	FTWOTXEDCG1	1AAP
FTWO-EDISON	FTWOTXEDDS0	D100
FTWO-EDISON	FTWOTXEDDS3	5ES
FTWO-EDISON	FTWOTXED03T	D1/2
FTWO-EDISON	FTWOTXED04T	D200
FTWO-EULESS	FTWOTXEUCG0	1AAP
FTWO-EULESS	FTWOTXEURS1	RCU
FTWO-EULESS	FTWOTXEURS2	5ORM
FTWO-GLENDALE	FTWOTXGLCG0	1AAP
FTWO-GLENDALE	FTWOTXGLRS1	RCU
FTWO-GLENDALE	FTWOTXGLRS2	5ORM
FTWO-JEFFERSON	FTWOTXJECG0	1AAP
FTWO-JEFFERSON	FTWOTXJERS1	RCU
FTWO-JEFFERSON	FTWOTXJERS2	5ORM
FTWO-KENNEDALE	FTWOTXKECG0	1AAP
FTWO-KENNEDALE	FTWOTXKERS1	RCU
FTWO-KENNEDALE	FTWOTXKERS2	5ORM
FTWO-LAKE WORTH	FTWOTXLWDS0	D100
FTWO-LAKE WORTH	FTWOTXLWRS1	RCU
FTWO-MANSFIELD	FTWOTXBRDS0	D100
FTWO-MANSFIELD	FTWOTXBRRS1	RCU
FTWO-MANSFIELD	FTWOTXBRRS2	RDGT
FTWO-MARKET	FTWOTXMADS0	D100
FTWO-MARKET	FTWOTXMARS1	RCU
FTWO-MARKET	FTWOTXMARS2	5ORM
FTWO-N RICHLAND HILL	FTWOTXBUCG0	1AAP
FTWO-N RICHLAND HILL	FTWOTXBURS1	RCU
FTWO-N RICHLAND HILL	FTWOTXBURS2	5ORM
FTWO-NEWARK	NWRKTXHURS0	RSC
FTWO-PERSHING	FTWOTXPECG0	1AAP
FTWO-PERSHING	FTWOTXPERS1	RCU
FTWO-PERSHING	FTWOTXPERS2	5ORM
FTWO-ROANOKE	RONKTXAFRS0	RSC

Texas Offices As Of August 1 1997

FTWO-ROANOKE	RONKTXRPRS0	RSC
FTWO-ROANOKE	RONKTXWODS0	D100
FTWO-ROANOKE	RONKTXWORS1	RSLU
FTWO-ROANOKE	RONKTXWORS2	RCU
FTWO-SAGINAW	FTWOTXCEDS0	D100
FTWO-SAGINAW	FTWOTXCERS1	RCU
FTWO-SAGINAW	FTWOTXCERS2	RSLU
FTWO-TERMINAL	FTWOTXTEDS0	D100
FTWO-TERMINAL	FTWOTXTERS1	RCU
FTWO-TERMINAL	FTWOTXTERS2	5ORM
FTWO-WALNUT	FTWOTXWACG0	1AAP
FTWO-WALNUT	FTWOTXWARS1	RCU
FTWO-WALNUT	FTWOTXWARS2	5ORM
FTWO-WEDGEWOOD	FTWOTXAXCG0	1AAP
FTWO-WEDGEWOOD	FTWOTXAXRL0	RLCM
FTWO-WEDGEWOOD	FTWOTXAXRS1	RCU
FTWO-WEDGEWOOD	FTWOTXAXRS2	5ORM
FTWO-WESTLAND	FTWOTXCIDS0	5ES
FTWO-WESTLAND	FTWOTXCIRS1	RCU
FTWO-WH SETTLEMENT	FTWOTXWSDS0	5ES
FTWO-WH SETTLEMENT	FTWOTXWSRS1	RCU
GAINESVILLE	GSVLTXHODS0	5ES
GARWOOD 758	GRWDTXGRRS0	AXRS
GLTN-SHERWOOD	GLTNTXSHDS0	D100
GLTN-SOUTHFIELD	GLTNTXSOCG0	1AAP
GLTN-WEST ISLAND	GLTNTXWIDS0	D10
GOLDSMITH 827	GLDSTXGSRs0	AXRS
GOLIAD 645	GOLITXGORL0	AXRS
GORDON 693	GRDNTXMYRS0	RLCM
GRAHAM 549	GRHMTXLIDS0	AXE
GRANBURY	GRBYTXRADS0	5ES
GRANDFALLS 547	GRFLTXXGFRS0	AXRS
GREENVILLE	GNVLTXGLDS0	D100
GRUVER 733	GRVRTXGVRS0	AXRS
HALE CENTER 839	HLCTTXHCRS0	RSC
HALLETTSVILLE 798	HTVLTXHVRL0	AXRS
HAMLIN 576	HMLNTXHMRs0	5RSM
HARLINGEN	HRLNTXHGCC0	1AAP
HARLINGEN	HRLNTXHGDS0	D100
HARLINGEN	HRLNTXHGO3T	D200
HEARNE 279	HERNTXHEDS0	AXE
HEBBRONVILLE 527	HBVLTXHBRs0	RSCS
HEMPSTEAD 826	HMPSTXHMDs0	AXE
HENRIETTA 538	HNRTTXBRRS0	AXRS
HEREFORD 364	HRFRTXHFDs0	AXE
HERMLEIGH 863	HRMLTXHLRS0	AXRS
HILLSBORO 582	HLBOTXJUDS0	AXE
HONDO 426	HONDTXHORS0	AXRS
HONEY GROVE 378	HNGVTXFRRS0	AXRS

Texas Offices As Of August 1 1997

HSTN-AIRLINE 445	HSTNTXAIDS0	D100
HSTN-AIRLINE 445	HSTNTXAIRS1	RDGT
HSTN-ALDINE 442	HSTNTXADCG0	1AAP
HSTN-ALDINE 442	HSTNTXADRS0	5ORM
HSTN-ALIEF 495	HSTNTXALDS0	5ES
HSTN-ALVIN LVRPL 331	ALVNTXALCG0	1AAP
HSTN-APOLLO 480	HSTNTXAPCG0	1AAP
HSTN-APOLLO 480	HSTNTXAPRS0	5ORM
HSTN-BAMMEL 440	HSTNTXBACG0	1AAP
HSTN-BAMMEL 440	HSTNTXBARS1	5ORM
HSTN-BARKER 492	HSTNTXBRCG0	1AAP
HSTN-BARKER 492	HSTNTXBRRS0	5ORM
HSTN-BLUE RDGE W 437	HSTNTXBWCG0	1AAP
HSTN-BUFFALO 493	HSTNTXBUDS0	5ES
HSTN-BUFFALO 493	HSTNTXWORS2	5RSM
HSTN-BUFFALO 493	HSTNTXZCRS0	5ORM
HSTN-BUFFALO 493	HSTXTXVZRS0	5ORM
HSTN-CAPITOL 220	HSTNTXCACG1	1AAP
HSTN-CAPITOL 220	HSTNTXCACG2	1AAP
HSTN-CAPITOL 220	HSTNTXCARS0	5ORM
HSTN-CHANNELVIEW 452	HSTNTXCHRS0	RSCS
HSTN-CHANNELVIEW 452	HSTNTXCHRS1	RSCS
HSTN-CHANNELVIEW 452	HSTNTXCHRS2	RSCS
HSTN-CLAY 650	HSTNTXCLCG1	1AAP
HSTN-CLAY 650	HSTNTXCLCG2	1AAP
HSTN-CLAY 650	HSTNTXCLDS0	5ES
HSTN-CYPRESS 256	CYPRTXCYDS0	AXE
HSTN-DEER PARK 476	HSTNTXDPCG0	1AAP
HSTN-DEER PARK 476	HSTNTXDPRS0	5ORM
HSTN-DEER PARK 476	HSTNTXPPRS0	5ORM
HSTN-DEER PARK 476	HSTXTXSDRS0	5ORM
HSTN-E HOUSTON 454	HSTNTXEHCG0	1AAP
HSTN-ELLINGTON E 487	HSTNTXEERS0	RSCS
HSTN-ELLINGTON E 487	HSTNTXEERS1	RSCS
HSTN-ELLINGTON E 487	HSTNTXEERS2	RSCS
HSTN-ELLINGTON W 481	HSTNTXWLCG0	1AAP
HSTN-ELLINGTON W 481	HSTNTXWLRS0	5ORM
HSTN-FAIRBANKS 460	HSTNTXFACG0	1AAP
HSTN-FAIRBANKS 460	HSTNTXFARS1	5ORM
HSTN-FRIENDSWOOD 482	HSTNTXFRCG0	1AAP
HSTN-FRIENDSWOOD 482	HSTNTXFRRS0	5ORM
HSTN-GLENDALE 451	HSTNTXGLCG0	1AAP
HSTN-GLENDALE 451	HSTNTXGLRS0	5ORM
HSTN-GREENSPPOINT 872	HSTNTXGPDS0	5ES
HSTN-GREENWOOD 472	HSTNTXGRCG0	1AAP
HSTN-GREENWOOD 472	HSTNTXGRRS0	5ORM
HSTN-HOMESTEAD 464	HSTNTXHODS0	5ES
HSTN-HOMESTEAD 464	HSTNTXHORS0	5ORM
HSTN-HUDSON 941	HSTNTXHUDS0	D100

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HSTN-HUDSON 941	HSTNTXHURS0	5ORM
HSTN-IDLEWOOD 433	HSTNTXIDCG0	1AAP
HSTN-IDLEWOOD 433	HSTNTXIDRS0	5ORM
HSTN-JACKSON 520	HSTNTXJACG0	1AAP
HSTN-JACKSON 520	HSTNTXJACG2	1AAP
HSTN-JACKSON 520	HSTNTXJADS1	D100
HSTN-JACKSON 520	HSTNTXJARS0	5ORM
HSTN-JACKSON 520	HSTNTXJA04T	D200
HSTN-JACKSON 520	HSTNTXJA05T	D200
HSTN-LANGHAM CRK 463	HSTNTXLACG0	1AAP
HSTN-LANGHAM CRK 463	HSTNTXLARS0	5ORM
HSTN-LAPORTE 470	HSTNTXLPDS0	D100
HSTN-LAPORTE 470	HSTNTXLPRS0	5ORM
HSTN-MANVEL 489	HSTNTXMADS0	D100
HSTN-MED CENTER 791	HSTNTXMCDS0	5ES
HSTN-MISSION 641	HSTNTXMICG0	1AAP
HSTN-MISSION 641	HSTNTXMIRS0	5ORM
HSTN-MOHAWK 660	HSTNTXMOCG0	1AAP
HSTN-MOHAWK 660	HSTNTXMOCG1	1AAP
HSTN-MOHAWK 660	HSTNTXMORS0	5ORM
HSTN-MOHAWK 660	HSTNTXSMRS0	5ORM
HSTN-NATIONAL 626	HSTNTXNACG0	1AAP
HSTN-NATIONAL 626	HSTNTXNACG1	1AAP
HSTN-NATIONAL 626	HSTNTXNADS0	5ES
HSTN-NATIONAL 626	HSTNTXNARS0	5ORM
HSTN-NEPTUNE 631	HSTNTXNECG0	1AAP
HSTN-NEPTUNE 631	HSTNTXNERS0	5ORM
HSTN-ORCHARD 671	HSTNTXORCG0	1AAP
HSTN-ORCHARD 671	HSTNTXORRS0	5ORM
HSTN-OVERLAND 680	HSTNTXOVCG0	1AAP
HSTN-OVERLAND 680	HSTNTXOVR50	5ORM
HSTN-OXFORD 691	HSTNTXOXCG0	1AAP
HSTN-OXFORD 691	HSTNTXOXRS0	5ORM
HSTN-PARKVIEW 720	HSTNTXPACG0	1AAP
HSTN-PARKVIEW 720	HSTNTXPARS0	5ORM
HSTN-PEARLAND 485	HSTNTXPERS0	5ORM
HSTN-PEARLAND 485	HSTNTXPERS1	RSCS
HSTN-PEARLAND 485	HSTNTXPERS2	RSCS
HSTN-PEARLAND 485	HSTNTXPERS3	RSCS
HSTN-PINEHURST 259	PNHRTXPNDS0	5ES
HSTN-PRESCOTT 771	HSTNTXPRCG0	1AAP
HSTN-PRESCOTT 771	HSTNTXPRCG1	1AAP
HSTN-PRESCOTT 771	HSTNTXPPRS0	5ORM
HSTN-REPUBLIC 731	HSTNTXRECG0	1AAP
HSTN-REPUBLIC 731	HSTNTXRERS0	5ORM
HSTN-RICH-ROSEBG 232	RSBGTXPGRS3	EXM2
HSTN-RICH-ROSEBG 232	RSBGTXRRDS0	5ES
HSTN-RIVERSIDE 741	HSTNTXRICS0	D100
HSTN-RIVERSIDE 741	HSTNTXRIRS0	5ORM

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HSTN-SATSUMA 469	HSTNTXSACG0	1AAP
HSTN-SATSUMA 469	HSTNTXSARS0	5ORM
HSTN-SEABROOK 474	HSTNTXSERS0	5ORM
HSTN-SEABROOK 474	HSTNTXSERS1	RSC
HSTN-SEABROOK 474	HSTNTXSERS2	RSC
HSTN-SHELDON 456	HSTNTXSHDS0	D10
HSTN-SHELDON 456	HSTNTXSHRS0	RSC
HSTN-SMITHERS LK 343	SMLKTXSMDS0	EXM2
HSTN-SPRING-NOR 292	SPRNTXNODS0	5ES
HSTN-SPRING-NOR 292	SPRNTXSMRS0	5ORM
HSTN-SPRING-SOU 288	SPRNTXSOCG0	1AAP
HSTN-SPRING-SOU 288	SPRNTXSORS0	5ORM
HSTN-SUNSET 780	HSTNTXSUDS0	5ES
HSTN-SUNSET 780	HSTNTXSURS0	5ORM
HSTN-TOM KLEIN 251	TBLLTXKLCG0	1AAP
HSTN-TOM KLEIN 251	TBLLTXKLRS0	5ORM
HSTN-TOMBALL 255	TBLLTXTBDS0	5ES
HSTN-UNDERWOOD 861	HSTNTXUNCG0	1AAP
HSTN-UNDERWOOD 861	HSTNTXUNRS0	5ORM
HSTN-VLLY LODGE 346	VLLDTXVLDS0	EXM2
HSTN-WALNUT 921	HSTNTXWACG0	1AAP
HSTN-WALNUT 921	HSTNTXWARS0	5ORM
HSTN-WESLAYAN	HSTNTX0801T	D100
HSTN-WESLAYAN	HSTNTX0802T	D200
HSTN-WESTFIELD 443	HSTNTXWECG0	1AAP
HSTN-WESTFIELD 443	HSTNTXWERS0	5ORM
HSTN-WESTFIELD 443	HSTNTX06RS0	5ORM
HSTN-WYDOWN 991	HSTNTXWYDS0	D100
HSTN_JACKSON ACD	BUMTTXTERS0	RSC
HSTN_JACKSON ACD	HSTNTXAIRS0	RSC
HSTN_JACKSON ACD	HSTNTXALRS0	RSC
HSTN_JACKSON ACD	HSTNTXFARS0	RSC
HSTN_JACKSON ACD	HSTNTXNARS1	RSC
HSTN_JACKSON ACD	HSTNTXWYRS0	RSC
HUNTSVILLE	HNVITXHND0	D1/2
IOWA PARK 592	IWPKTXBARS0	AXRS
IRAAN 639	IRANTXIRRS0	5RSM
ITALY 483	ITLYTXHURS0	RSC
ITASCA 687	ITSCTXMURS0	AXRS
JACKSBORO 567	JCBOTXLORS0	AXRS
JEFFERSON 665	JFSNTXMORS0	AXRS
JEWETT 626	JWTTTXJWDS0	D10
JSPR-DUDLEY 384	JSPRTXDUDS0	D100
JSPR-RAYBURN	JSPRTXRARS0	RSC
KENEDY 583	KNDYTXKNRS0	RSCS
KERMIT 586	KRMTTXKMRS0	AXRS
KINGSVILLE	KGVLTXKVDS0	D100
KIRBYVILLE 423	KBVLTXKBRS0	RSC
KOUNTZE	KNTZTXKNRS0	RSC

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KRCY-FALLS CITY	KRCYTXFCRS0	RLCM
KRCY-MARKET 780	KRCYTXKCRS0	RSCS
LA COSTE 762	LCSTTXLCRS0	AXRS
LA PRYOR 365	LAPRTXLPRS0	AXRS
LABELLE 796	LBLTXXLBRS0	RSC
LADONIA 367	LADNTXENRS0	AXRS
LAMPASAS 556	LMPSTXLSRS0	AXRS
LAREDO 722	LARDTXDGRS0	5ORM
LAREDO 722	LARDTXLADS0	5ES
LBCK-FRANKFORD	LBCKTXFRDS0	D100
LBCK-NEW DEAL	LBCKTXNDRS0	RSC
LBCK-PARKVIEW	LBCKTXPADS0	5ES
LBCK-PORTER SHERWOOD	LBCKTXPSCG0	1AAP
LBCK-PORTER SHERWOOD	LBCKTXPSDC5	D1/2
LBCK-PORTER SHERWOOD	LBCKTXPSDS1	5ES
LBCK-SWIFT	LBCKTXSWCG0	1AAP
LBCK-SWIFT	LBCKTXSWRS1	5ORM
LEFORS 835	LFRSTXLFRS0	AXRS
LGWW-GREGGTON	LGWWTXGRDS0	5ES
LGWW-JUDSON	LGWWTXJUDS0	D10
LGWW-JUDSON	LGWWTXJURS0	RSCS
LGWW-MILTON	LGWWTXMIDS0	5ES
LGWW-PLAZA	LGWWTXPLCG0	1AAP
LGWW-PLAZA	LGWWTXPLRS1	5ORM
LGWW-PLAZA	LGWWTXPL03T	D1/2
LIBERTY HILL 778	LBHLTXLHRS0	AXRS
LIBERTY 336	LBRTTXLBDS0	AXE
LINDALE-SWAN 882	LNDLTXTUDS0	AXE
LOCKHART 398	LCKHTXKDS1	AXE
LOCKNEY 652	LCKNTXLORS0	RSC
LOS FRESNOS 233	LSFRTXLFDS0	D10
LULING 875	LLNGTXLURS0	RSC
LUMBERTON	LMTNTXLMRS0	RSCS
LUMBERTON	LMTNTXLMRS1	RSCS
LYTLE 772	LYTLTXLYRS0	AXRS
MADISONVILLE 348	MDVITXMDRS0	RSC
MARATHON 386	MRTHTXMARS0	AXRS
MARFA 729	MARFTXMFRS0	AXRS
MARION 420	MARNTXMRRS0	RSC
MARLIN 883	MRLNTXMLRS0	RSCS
MARSHALL	MRSHTXWEDS0	5ES
MATAGORDA	MTGRTXMTRS1	5ORM
MATHIS 547	MTHSTXMARS0	AXRS
MAURICEVILLE 745	MRVLTXMRRS0	RSC
MCAL-HIDALGO	MCALTXXHRS1	RSC
MCAL-MURRAY	MCALTXMUCG0	1AAP
MCAL-MURRAY	MCALTXMURS0	5ORM
MCCAMEY 652	MCMYTXMCRS0	5RSM
MCKN-LINDEN	MCKNTXLIDS0	5ES

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MCKN-LINDEN	MCKNTXLIDS1	AXE
MCKN-TERMINAL 837	MCKNTXTERS0	AXRS
MCKN-WEST	MCKNTXWERS0	5ORM
MCLEAN 779	MCLNTXMLRS0	5RSM
MDLD-MUTUAL	MDLDTXMUDS0	5ES
MDLD-MUTUAL	MDLDTXMU15T	D1/2
MDLD-OXFORD	MDLDTXOXDS0	D100
MDLD-OXFORD	MDLDTXOXRS1	5ORM
MEDINA LAKE 751	MDLKTXMLRS0	AXRS
MERCEDES 565	MRCDTXMEDS0	AXE
MERIDIAN 435	MRDNTXMERS0	RSCS
MEXIA 562	MEXITXMXRS0	RSCS
MIDKIFF 535	MDKFTXMKRS0	5RSM
MIDLOTHIAN	MDLTXXGRDS0	D10
MINEOLA 569	MINLTXLORS0	AXRS
MINERAL WLLS 325	MNWLTXFADS0	AXE
MISSION 585	MSSNTXMIDS0	D100
MONAHANS 943	MNHNTXMODS0	AXE
MOULTON 596	MOLTTXMNRL0	AXRS
MOUNT PLEASANT	MNPLTXPADS0	D100
NACOGDOCHES	NCGDTXNCDS0	D1/2
NEDERLAND	NDLDTXNDOS0	D100
NEDERLAND	NDLDTXNDRS1	5ORM
NEW BRAUNFELS	NBRNTXNBCG0	1AAP
NORDHEIM 938	NRDHTXNHRL0	AXRS
ODSS-EMERSON	ODSSTXEMDS0	D100
ODSS-EMERSON	ODSSTXEMRS1	5ORM
ODSS-LINCOLN	ODSSTXLICG0	1AAP
ODSS-LINCOLN	ODSSTXLIRS1	5ORM
ODSS-REDONDO 381	ODSSTXREDS0	AXE
OGLESBY 456	OGLSTXOGRS0	RLCM
OMAHA 884	OMAHTXTURS0	RSC
ORANGE	ORNGTXORDS0	D100
OWENTOWN	OWTNTXTRRS0	RSCS
PAMPA	PAMPTXPPDS0	5ES
PARIS-NORTH	PARSTXNODS0	D10
PARIS-SUNSET	PARSTXSUDS0	5ES
PEARSALL 334	PRSLTXPSRS0	AXRS
PHARR	PHRRTXPHCG0	1AAP
PIPE CREEK 535	PCRKTXPDS0	AXE
PITTSBURG	PSBGTXUNRS0	RSC
PLAINVIEW	PLVWTXPVDS0	D100
PLEASANTON 569	PLTNTXPLDS0	AXE
PORT BOLIVAR 684	PTBLTXCBRS1	RSC
PORT BOLIVAR 684	PTBLTXPTRS0	RSC
PORT BOLIVAR 684	PTBLTXRBRS1	RSC
POTEET 742	PTETTXPORS0	AXRS
POTTSBORO	PTSBTXSTD0	D10
PRAIRIE VIEW	PRVWTXPRRS0	RSC

Texas Offices As Of August 1 1997

PRINCETON	PRTNTXRERS0	5RSM
PROSPER 347	PRSPTXFIRS0	AXRS
PTAR-PERSHING	PTARTXPEDS0	D10
PTAR-WOODLAWN	PTARTXWORS0	RSCS
PTAR-WOODLAWN	PTARTXWORS1	RSCS
PTAR-YUKON	PTARTXYUDS0	D100
PTIS-SOUTH PADRE	PTISTXSPRS0	RSCS
PTIS-WHITEHALL	PTISTXPIDS0	D10
PYOTE 389	PYTETXPARS0	AXRS
QUANAH 663	QANHTXMORS0	AXRS
RANGER 647	RNGRTXMIRS0	RSCS
RANKIN 693	RNKNTXRKRS0	5RSM
REAGAN 587	RGANTXRGRS0	RLCM
RED OAK	RDOKTXHODS0	D10
REFUGIO 526	REFGTXRFRS0	AXRS
RIO HONDO 748	RHNDTXRHDS0	D10
ROBY 776	ROBYTXRBR0	5RSM
ROCKDALE	RCDLTXRDRS1	RSCS
ROCKPORT	RCPTTXRPDS0	D100
ROCKWALL	RKWLTXPADS0	EXM2
ROSCOE 766	ROSCTXRSRS0	AXRS
ROTAN 735	RTANTXRTRS0	5RSM
ROYSE CITY	RYCYTXNERS0	RSC
RUNGE 239	RNGETXRURS0	RLCM
SABINAL 988	SBNLTXSBR0	AXRS
SABINE PASS	SBPSTXSBR0	RCDO
SAN AUGUSTINE 275	SAGSTXSARS0	AXRS
SAN BENITO	SNBNTXSBDS0	EXM2
SAN DIEGO 279	SNDGTXSDRS0	RSCS
SEALY 885	SELYTXSERS0	AXRS
SEMINOLE 758	SMNLTXSMRS0	5RSM
SGIN-FRANKLIN	SGINTXSGDS0	D100
SGIN-FRANKLIN	SGINTXSGRS0	RLCM
SGIN-LAKE MCQUEENY	SGINTXMQDS0	D10
SHAMROCK 256	SHRKTXSRRS0	5RSM
SHINER 594	SHNRTXSHRL0	AXRS
SILSBEE	SLSBTXSLRS0	RSCS
SILSBEE	SLSBTXSLRS1	RSCS
SINTON	SINTTXSIRS0	RSC
SKELLYTOWN 848	SKLYTXSKRS0	AXRS
SKIDMORE 287	SKDMTXSKRS0	AXRS
SLATON 828	SLATTXSLRS0	RSC
SMITHVILLE 237	SMVLTXSMRS0	AXRS
SNAN-BABCOCK	SNANTXBACG0	1AAP
SNAN-BABCOCK	SNANTXBARS3	5ORM
SNAN-CAPITOL	SNANTXCACG0	1AAP
SNAN-CAPITOL	SNANTXCACG1	1AAP
SNAN-CAPITOL	SNANTXCADS2	5ES
SNAN-CAPITOL	SNANTXCARS0	RSC

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SNAN-CAPITOL	SNANTXCA03T	D200
SNAN-CAPITOL	SNANTXCA06T	D200
SNAN-CULEBRA	SNANTXCUCG0	1AAP
SNAN-CULEBRA	SNANTXCUDS0	D100
SNAN-CULEBRA	SNANTXCURS2	5ORM
SNAN-DIAMOND	SNANTXDICG0	1AAP
SNAN-DIAMOND	SNANTXDIRS0	5ORM
SNAN-EDISON	SNANTXEDDS0	D100
SNAN-EDISON	SNANTXEDRS2	5RSM
SNAN-FRATT	SNANTXFRCG0	1AAP
SNAN-FRATT	SNANTXFRDS0	D100
SNAN-FRATT	SNANTXFRRS5	5ORM
SNAN-GENERAL	SNANTXGECG0	1AAP
SNAN-GENERAL	SNANTXGERS2	5ORM
SNAN-HELOTES	SNANTXHEDS0	D10
SNAN-INDIAN CREEK	SNANTXICRS2	RSCS
SNAN-JARRATT	SNANTXJARS0	RSC
SNAN-LACKLAND	SNANTXLADS0	D100
SNAN-LACKLAND	SNANTXLARS2	5ORM
SNAN-LEHIGH	SNANTXLECG0	1AAP
SNAN-LEHIGH	SNANTXLERS2	5ORM
SNAN-LEON SPRINGS	SNANTXLRS1	RSCS
SNAN-MARTINEZ	SNANTXMADS0	D100
SNAN-MARTINEZ	SNANTXMARS4	5ORM
SNAN-MARTINEZ	SNANTXSHRS0	RSCS
SNAN-MED CENTER	SNANTXMCDS0	5ES
SNAN-MED CENTER	SNANTXMCRS0	5ORM
SNAN-MED CENTER	SNANTXMCRS1	5RSM
SNAN-PALO ALTO	SNANTXPARS0	RSCS
SNAN-PERSHING	SNANTXPECG0	1AAP
SNAN-PERSHING	SNANTXPERS1	5ORM
SNAN-SAYERS	SNANTXSARS1	RSC
SNAN-SHAVANO	SNANTXSLDS0	D100
SNAN-SHAVANO	SNANTXSLRS2	5ORM
SNAN-SOUTHTON	SNANTXSODS0	D10
SNAN-TAYLOR	SNANTXTACG0	1AAP
SNAN-TAYLOR	SNANTXTARS1	RSC
SNAN-TAYLOR	SNANTXTARS3	5ORM
SNAN-THELMA	SNANTXTHRS0	RSCS
SNAN-UNIVERSAL CITY	SNANTXUCDS0	D100
SNAN-UNIVERSAL CITY	SNANTXUCRS2	5ORM
SNAN-WALNUT	SNANTXWACG0	1AAP
SNAN-WALNUT	SNANTXWARS2	5ORM
SNAN-WETMORE	SNANTXWEDS0	5ES
SNYDER 573	SNYDTXSDDS0	AXE
SOUR LAKE 287	SRLKTXSRRS0	RSC
SPLENDORA 689	SPLDTXSPDS0	EXM2
SPURGER 429	SPRGTXSPRS0	AXRS
STAMFORD 773	SMFRTXSFRS0	5RSM

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STANTON 756	SNTNTXSNRS0	5RSM
STINNETT 878	STNTTXSTRS0	AXRS
STRAWN 672	STRWTXORRS0	RSCS
SULLIVAN CITY 485	SLCYTXSCRS0	AXRS
SWEETWATER 235	SWTWTXSWDS0	AXE
TAYLOR 352	TAYLTXTADS0	AXE
TEAGUE 739	TGUETXTERS0	RSCS
TERMINAL	TRMNTXTERS0	5ORM
TERRELL	TRRLTXJODS0	D100
TIMPSON 254	TMPSTXTMRS0	AXRS
TMPL-DOWNTOWN	TMPLTXDNCG0	1AAP
TMPL-DOWNTOWN	TMPLTXDNRS1	5ORM
TMPL-LAKE BELTON	TMPLTXLBRS0	RSC
TROY 938	TROYTXTRRS0	RSCS
TXCY-LAMARQUE	TXCYTXLMDS0	EXM2
TXCY-TEXAS CITY	GLTNTXSHRS0	5ORM
TXCY-TEXAS CITY	GLTNTXSORS1	5ORM
TXCY-TEXAS CITY	TXCYTXLMRS1	5ORM
TXCY-TEXAS CITY	TXCYTXTCDS0	5ES
TYLR-CHAPEL HILL	TYLRTXCHRS0	RSCS
TYLR-LYRIC	TYLRTXLYCG0	1AAP
TYLR-LYRIC	TYLRTXLYRS1	5ORM
TYLR-SOUTH	TYLRTXSODS0	D100
TYLR-SOUTH	TYLRTXSORS1	5ORM
UVALDE 278	UVLDTXUVDS0	AXE
VDOR-ROCKWELL	VDORTXRORS0	RSCS
VDOR-ROCKWELL	VDORTXRORS1	RSCS
VDOR-SUNSET 786	VDORTXSURS0	RSC
VERNON 552	VERNTXLIDS0	AXE
VICTORIA	VCTATXVICG0	1AAP
VICTORIA	VCTATXVIDS0	AXE
VINTON 886	VNTNTXMARS0	5RSM
WACO-CHINA SPRINGS	WACOTXCERS0	RSC
WACO-EDDY	WACOTXEDRS0	RSC
WACO-GHOLSON	WACOTXGHR0	RSC
WACO-HEWITT	WACOTXHEDS0	EXM2
WACO-LORENA	WACOTXLORS0	RSC
WACO-MART	WACOTXMTRS0	RSC
WACO-MCGREGOR	WACOTXMGRS0	RSC
WACO-MOHAWK 662	WACOTXMORS0	RSCS
WACO-MOODY	WACOTXMDRS0	RSC
WACO-PRESCOTT	WACOTXPRDS0	D100
WACO-PRESCOTT	WACOTXPRRL0	RLCM
WACO-PRESCOTT	WACOTXPRRS1	5ORM
WACO-SOUTH BOSQUE	WACOTXSBR0	RSC
WACO-SWIFT	WACOTXSWDS0	D100
WACO-WASHINGTON	WACOTX01CG0	1AAP
WACO-WASHINGTON	WACOTX01DS1	5ES
WACO-WASHINGTON	WACOTX0115T	D200

Texas Offices As Of August 1 1997

WACO-WEST	WACOTXWERS0	RSC
WALLER 372	WLLRTXWLR0	AXRS
WARREN	WRRNTXWRRS0	RCDO
WAXAHACHIE	WXHCTXWEDS0	D100
WCFL-AIRPORT 855	WCFLTXTFDS0	AXE
WCFL-CALLFIELD	WCFLTXCFCG0	1AAP
WCFL-CALLFIELD	WCFLTXCFRS1	5ES
WCFL-LAMAR	WCFLTXXNICG0	1AAP
WCFL-LAMAR	WCFLTXXNIDC4	D200
WCFL-LAMAR	WCFLTXXNIDS2	5ES
WEATHERFORD	WTFRTXLYDS0	5ES
WESTBROOK 644	WSBKTXXWBR0	AXRS
WESTBURY 753	WBRYTXWBR0	RSC
WHARTON 532	WHTNTXWHDS0	AXE
WILDWOOD	WLWDTXWLR0	RCDO
WILLS POINT-NORTH	WLPTTXNORS0	RSC
WILLS POINT-TRIANGLE	WLPTTXTRRS0	RSCS
WINK 527	WINKTXWKRS0	AXRS
WOLFE CITY 496	WFCYTXGYDS0	AXE
WOODSBORO 543	WDBOTXXWBR0	AXRS
WOODVILLE 283	WDVLTXXWDD0	AXE
WORTHAM 765	WRHMTXWRRS0	RSCS
YOAKUM 293	YKUMTXYKRL0	AXRS
YORKTOWN 564	YRTWTXYTRL0	AXRS
ZAPATA	ZPTATXXZADS0	D10



Public Utility Commission of Texas

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Pat Wood, III
Chairman

Judy Walsh
Commissioner

Patricia A. Curran
Commissioner

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

TO: Pat Wood, III, Chairman
Judy Walsh, Commissioner
Brett Perlman, Commissioner

All Parties of Record

FROM: Howard Siegel *HS*
Administrative Law Judge
Office of Policy Development

RE: Docket No. 19919—PETITION OF AT&T COMMUNICATIONS OF THE
SOUTHWEST, INC TO REQUIRE SOUTHWESTERN BELL TELEPHONE
COMPANY TO IMPLEMENT INTRALATA PRESUBSCRIPTION NO LATER
THAN FEBRUARY 8, 1999

DATE: January 28, 1999

On January 28, 1999, a copy of the revised proposed final order in the above-referenced docket was filed. The Commission will consider this docket at the open meeting presently scheduled to begin at 9:30 a.m. on Thursday, February 18, 1999, at the Commission's offices, 1701 North Congress Avenue, Austin, Texas.

The parties may file corrections or exceptions to the proposed order not later than Friday, February 5, 1999. Replies to exceptions shall be filed not later than Thursday, February 11, 1999. If there are no corrections or exceptions, no response is necessary.

Parties, whether filing exceptions or not, may file briefs regarding the affect of the January 25, 1999 Supreme Court decision, discussed in the revised proposed order, not later than February 5, 1999. Replies to exceptions shall be filed not later than Thursday, February 11, 1999. (Legal Briefs on the Supreme Court's decision shall not exceed 5 pages.)

A second revised proposed order will be filed prior to the February 18, 1999 open meeting, updating the proposed order with the parties' positions as to the affect of the Supreme Court's decision.

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PUC DOCKET NO. 19919

PETITION OF AT&T	§	PUBLIC UTILITY COMMISSION
COMMUNICATIONS OF THE	§	
SOUTHWEST, INC TO REQUIRE	§	OF TEXAS
SOUTHWESTERN BELL TELEPHONE	§	
COMPANY TO IMPLEMENT	§	
INTRALATA PRESUBSCRIPTION NO	§	
LATER THAN FEBRUARY 8, 1999	§	

REVISED PROPOSED ORDER

This Order grants the petition of AT&T Communications of the Southwest, Inc. (AT&T) to require Southwestern Bell Telephone Company (SWBT) to implement intraLATA presubscription no later than February 8, 1999.

I. Background

On September 30, 1998, AT&T filed with the Public Utility Commission of Texas (Commission) the above-referenced petition. AT&T seeks a ruling construing terms contained in section 55.009(c) of the Public Utility Regulatory (PURA),¹ and section 251(b)(3) of the Federal Telecommunication Act (FTA)² as requiring SWBT to implement intrastate intraLATA dialing parity no later than February 8, 1999. Moreover, AT&T seeks a Commission order requiring SWBT to implement intrastate intraLATA dialing parity (presubscription) no later than that date. AT&T requests a ruling at this time to avoid any delay in its requested implementation.

Motions to intervene were filed on October 7, 1998 by Telecommunications Resellers Association (TRA), on November 6, 1998 by Texas Association of Long Distance Telephone Companies (TEXALTEL) and on December 15, 1998 by Competitive Telecommunications Association (CompTel). Said motions were subsequently granted.

¹ Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-63.063 (PURA).

² Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, codified at 47 U.S.C. §§ 251 et seq. Hereinafter, all citations to FTA will be to the 1996 Act as codified in the United States Code. (FTA).

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II. Discussion

The Commission finds that AT&T's petition should be granted for the following reasons. In a recent change in the law, the U.S. Supreme Court³ reinstated 47 C.F.R. § 51.211. 47 C.F.R. § 51.211 is now mandatory and requires the Commission to order SWBT to provide intraLATA toll dialing parity by February 8, 1999; thus that rule implicitly preempts PURA § 55.009(a).

Federal Law prior to January 25, 1999 Supreme Court ruling

FTA § 271(e)(2) is the only provision of the FTA that specifically addresses the timing of the implementation of intraLATA toll dialing parity⁴ for Bell Operating Companies (BOCs) such as SWBT. FTA § 271(e)(2)(B) states:

Except for single-LATA States and States that have issued an order by December 19, 1995, requiring a Bell operating company to implement intraLATA toll dialing parity, a State may not require a Bell operating company to implement intraLATA toll dialing parity in that State before a Bell operating company has been granted authority under this section to provide interLATA services originating in that State or before 3 years after the date of enactment of the Telecommunications Act of 1996, whichever is earlier. Nothing in this subparagraph precludes a State from issuing an order requiring intraLATA toll dialing parity in that State prior to either such date so long as such order does not take effect until after the earlier of either such dates.

SWBT has not been granted authority under FTA § 271 to provide interLATA services originating in Texas, and it would not be granted authority before February 8, 1999.⁵ Although the

³ *AT&T Corp. v. Iowa Utilities Board*, __ U.S. __; __ S.Ct. __; __ L.Ed. __ (Jan. 25, 1999), slip op. from <http://supct.law.cornell.edu/supct/html/97-826ZO.html> (*Iowa Utilities Board*)

⁴ In this order, the term "intraLATA toll dialing parity" will be used in lieu of:

"intraLATA toll prescription" (the term used in FTA § 271(e)(2));

"intraLATA equal access" (the term used in the Commission's substantive rules.)

The issue in this proceeding deals with 1+access for intraLATA toll traffic, as distinguished from local number dialing parity.

⁵ SWBT has not filed a petition for interLATA relief with the FCC. Once a filing with the FCC is made, approval, if granted, would take approximately ninety days.

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FTA prohibition against the Commission ordering SWBT to provide intraLATA toll dialing parity was to expire on February 8, 1999, three years after the date of enactment of FTA § 271, the FTA did not require such an order by a date certain. AT&T argued that such an interpretation of the FTA contradicts the FCC's interpretation of the Act.⁶ AT&T argued that in adopting its regulations which require BOCs to implement intraLATA toll dialing parity by no later than February 8, 1999, the FCC plainly did not construe FTA § 271(e)(2)(B) as simply specifying the earliest date a state commission may choose to require such dialing parity. Instead, the FCC interpreted the provision as suspending the dialing parity duties imposed by FTA § 251(b)(3) until February 8, 1999 at the latest, and affording states no discretion to defer such dialing parity after that date.⁷ At the time of the filing of this petition, the relevant portion of the FCC order, however, had been vacated by the Eighth Circuit Court.⁸

General Counsel and SWBT disagreed with AT&T's argument.⁹ First, as a tenant of statutory construction, the parties argued that specific statutory provisions are to be applied over general provisions.¹⁰ In this case, FTA § 271(e)(2)(B) specifically relates to BOCs. Consequently, FTA § 271(e)(2)(B) applies to AT&T's petition, not FTA § 251(b)(3). Moreover, AT&T incorrectly argued that such an interpretation made the dialing parity provisions of FTA § 251(b)(3) superfluous. FTA § 251(b)(3) is a general provision applied to all LECs. FTA

⁶ Reply Brief on Threshold Issues of AT&T at 4. At least one Commission decision relied upon by AT&T, the Oklahoma Corporation Commission, adopted the FTA interpretation adopted by the Commission above.

⁷ FTA § 251(b)(3) requires dialing parity by placing upon LECs: The duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service, and the duty to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delays.

⁸ See *California v. FCC*, 124 F.3d 934 (8th Cir. 1998).

⁹ It should be noted that General Counsel's, SWBT's and AT&T's positions were filed prior to the Supreme Court's decision in *Iowa Utilities Board*. To expedite the process, their positions on the Supreme Court's decision were to be filed with their exceptions.

¹⁰ See *Boyer v. State*, 818 S.W.2d 782, 785 (Tex. Crim. App., 1991); *West Anderson Plaza v. Payson*, 876 S.W.2d 528, 532 (Tex. App.—Austin 1994, no writ); *Font v. Carr*, 887 S.W.2d 873, 881 (Tex. App.—Houston [1st Dist.] 1993, writ dismissed w.o.j.).

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§ 271(e)(2)(B) merely limits the applicability of FTA § 251(b)(3) as to BOCs but does not alter the application to other LECs.

State law

In the case of SWBT's obligation to provide intraLATA toll dialing parity, Texas law must be considered. PURA § 55.009(a) provides that:

If federal law prohibits a local exchange company in this state from providing interLATA telecommunications services, the local exchange companies in this state designated or de facto authorized to receive a "0-plus" or "1-plus" dialed intraLATA call are exclusively designated or authorized to receive such a call.

Thus, if the FTA or other federal law prohibits SWBT from providing interLATA telecommunications services, PURA § 55.009(a), absent preemption, would grant SWBT the exclusive authority to provide intraLATA toll presubscription for its local customers until that prohibition is removed. If SWBT is not allowed to offer interLATA telecommunications services, it is prohibited from offering such services. Because FTA § 271 (e)(2)(B) is not mandatory in its language, PURA § 55.009(a) was not preempted prior to the Supreme Court's ruling.

Recent Supreme Court ruling

On January 25, 1999, the U.S. Supreme Court held that the FCC has general jurisdiction to implement the FTA's local-competition provisions. In particular, the FCC's rulemaking authority extends to implementation of §§ 251 and 252.¹¹ With regard to dialing parity, the court reversed the 8th Court of Appeals' determinations that the FCC had no jurisdiction to promulgate rules regarding state review of pre-existing interconnection agreements between incumbent LECs and other carriers.¹² With this ruling, 47 U.S.C. § 51.211 is now reinstated. Section 51.211(a) states:

¹¹ See *Iowa Utilities Board* at 10.

¹² *Id.* at 17.

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A LEC that does not begin providing in-region, interLATA or in-region, interstate toll services in a state before February 8, 1999, must implement intraLATA and interLATA toll dialing parity throughout that state on February 8, 1999 or an earlier date as the state may determine, consistent with section 271(e)(2)(B) of the Communications Act of 1934, as amended, to be in the public interest.

Because federal law pursuant to the FCC's rule is mandatory, PURA § 55.009(a) is preempted.¹³ In other words, the FCC acted within the discretion existing power over the states. In this particular case, compliance with federal rules requires non-compliance with contradictory state laws.¹⁴ Therefore pursuant to FTA § 51.211, SWBT must provide dialing parity by February 8, 1999.

Conclusion

Because of the U.S. Supreme Court ruling, FTA §§ 271 and 51.211 preempt PURA § 55.009(a). SWBT, therefore, would be obligated to implement intraLATA toll dialing parity (presubscription) by February 8, 1999. However, because the law changed so close to the implementation date, fairness and network security require some accommodation. Consequently, SWBT is ordered to implement intraLATA dialing parity (presubscription) with all deliberate speed.

¹³ See e.g. *Fidelity Federal Sav. And Loan Ass'n v. De La Cruz*, 458 U.S. 141, 153-54 (1982); *City of New York v. FCC*, 486 U.S. 57, 64 (1988) ("[t]he statutorily authorized regulations of an agency will preempt any state or local law that conflicts with such regulations or frustrates the purposes thereof"); *Louisiana Public Service Comm'n v. FCC*, 476 U.S. 355, 369 (1986) ("[p]re-emption may result not only from action taken by Congress itself, a federal agency acting within the scope of its congressionally delegated authority may preempt state regulation").

¹⁴ See *Fidelity Federal Sav. & Loan Ass'n*, at 153, quoting *Hines v. Davidowitz*, 312 U.S. 52, 67 (1941) ("[e]ven where Congress has not completely displaced state regulation in a specific area, some law is nullified to the extent that it actually conflicts with federal law. Such a conflict arises when compliance with both federal and state regulations is a physical impossibility or when state law stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress"). See also *Jones v. Rath Packing Co.*, 430 U.S. 519, 525-526 (1977).

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III. Findings of Fact

Procedural History

1. On September 30, 1998, AT&T filed with the Commission its petition to require SWBT to implement intraLATA dialing parity (presubscription) no later than February 8, 1999. In its petition, AT&T requested that the Commission issue an order confirming that SWBT is required to implement intrastate intraLATA dialing parity no later than February 8, 1998 and order SWBT to implement intrastate intraLATA dialing parity no later than that date.
2. On October 7, 1998, November 6, 1998 and December 15, 1998, motions to intervene were filed by TRA, TEXATEL and CompTel, respectfully. Said motions were subsequently granted.
3. On November 19, 1998, AT&T filed its request to expedite procedural schedule or, in the alternative, for interim relief. On November 25, 1998, an order was entered denying said request based on the fact that the currently expedited schedule could not be reasonably accelerated without infringing upon intervenor rights.
4. In response to Order No. 4 in this docket,¹⁵ AT&T, TEXATEL, CompTel, SWBT and General Counsel filed briefs on threshold issues on or before December 31, 1998. Reply briefs were filed by AT&T, TEXATEL, CompTel and SWBT on January 6, 1999.
5. On January 25, 1999 the U.S. Supreme Court reversed the 8th Court of Appeals' determinations on FCC jurisdiction regarding dialing parity and reinstated the FCC's dialing parity rules.

¹⁵ Order No. 4—Regarding Issuance of Notice; Establishing Procedural Schedule; and Issuing Order for Briefing on Threshold Issues (Nov. 12, 1998).

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IV. Conclusions of Law

1. The Commission has jurisdiction and authority over this matter pursuant to § 14.001 of PURA.¹⁶
2. The Commission provided notice of this docket in compliance with PURA and Commission rules.
3. This docket was processed in accordance with the requirements of PURA and the Administrative Procedures Act, TEX. GOV'T CODE ANN. § § 2001.002-.902 (Version 1998)(APA).
4. FTA § 271(e)(2) is the only provision of the FTA that specifically addresses the timing of the implementation of intraLATA toll presubscription for BOCs such as SWBT.
5. FTA § 251(b)(3) requires all LECs to provide dialing parity to competing providers of telephone exchange service and telephone toll service, but does not specifically refer to BOCs.
6. The specific dialing parity provision in FTA § 271(e)(2) is applicable to BOCs, not the general dialing parity provisions in FTA § 251(b)(3).
7. FTA § 271(e)(2)(B) makes it discretionary whether to require BOCs to provide intraLATA dialing parity on or after February 8, 1999.
8. The FCC adopted 47 U.S.C. § 51.211 to make BOC implementation of dialing parity mandatory on February 8, 1999.

¹⁶ TEX. UTIL. CODE ANN. § 11.001-63.063 (Version 1996).

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9. By vacating the FCC's dialing parity rules, the 8th Circuit placed, within the states, discretionary authority over BOC implementation of dialing parity.
10. PURA § 55.009(a) grants SWBT the exclusive authority to provide intraLATA toll dialing parity until SWBT is allowed to provide in-region interLATA telecommunications services in Texas.
11. Prior to the recent U. S. Supreme Court ruling, nothing in FTA § 251 nor FTA § 271 preempted PURA § 55.009(a).
12. Prior to the recent U. S. Supreme Court ruling, SWBT was not obligated to implement intraLATA dialing parity (presubscription) until such time as it was authorized by federal law to provide in-region interLATA telecommunications services in Texas.
13. Because the FCC's dialing parity rules were reinstated, 47 C.F.R § 51.211(a) is dispositive of AT&T's petition and implicitly preempts PURA § 55.009(a) since compliance with FCC's rules requires non-compliance with the state statute.
14. Pursuant to 47 C.F.R § 51.211(a), SWBT is obligated to implement intraLATA dialing parity (presubscription) by February 8, 1999.
15. February 8, 1999 did not become the implementation deadline until the Supreme Court's decision was issued on January 25, 1999.

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V. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following Order:

1. The petition of AT&T to require SWBT to implement intraLATA presubscription no later than February 8, 1999 is hereby granted.
2. Because the change in law is recent, SWBT would not have had previous knowledge concerning this obligation and shall not be held in violation of this law if it proceeds with all deliberate speed the implementation of intraLATA dialing parity (presubscription). This expeditious action should, however, not be haphazard nor jeopardize the system now in place.¹⁷
3. All other motions, requests for entry of specific finding of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied for want of merit.

¹⁷ In Docket No. 17000, the Commission is reviewing SWBT's intraLATA dialing parity implementation plan to assure that such dialing parity can be implemented as required by the Commission.

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REVISED PROPOSED ORDER

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SIGNED AT AUSTIN, TEXAS on the _____ day of February, 1999.

PUBLIC UTILITY COMMISSION OF TEXAS

PAT WOOD, III, CHAIRMAN

JUDY WALSH, COMMISSIONER

BRETT A. PERLMAN, COMMISSIONER

MCI - Mr. Harrelson

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE
STATE OF CALIFORNIA**

In Attendance: COMMISSIONER JOSIAH L. NEEPER
ADMINISTRATIVE LAW JUDGE GLEN WALKER, presiding.

**PREHEARING
CONFERENCE**

**IntraLATA
Presubscription
Phase**

**Investigation
87-11-033**

921-922

**In the Matter of Alternative Regulatory Frameworks for
Local Exchange Carriers. (IntraLATA Presubscription
Phase)**

**REPORTER'S TRANSCRIPT
San Francisco, California
November 23, 1998
Pages 892 - 944
PHC-14**

**William J. Harter, CSR 3532
Maureen B. Inchauspe, CSR 8012**

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1 by the Commission -- and, frankly, I don't know -- but
2 if it were, would you still believe that Pacific Bell
3 would have as its objective to cure the defects that the
4 staff alleges and go to the FCC in the first quarter of
5 1999; or would it, in your judgment, take longer than
6 that?

7 MR. YOUNG: If the Commission made no -- upheld, if
8 you will, the staff report in its entirety, I do not
9 think that it would be possible to comply with all of
10 what they have ordered within the time frame to go to
11 the FCC within the first quarter.

12 ALJ WALKER: Do you have an idea of the time it
13 would take in that eventually?

14 MR. YOUNG: It would certainly be beyond the middle
15 of next year, I believe.

16 ALJ WALKER: Mr. Kolto-Wininger in his prehearing
17 statement said one issue is whether Pacific Bell
18 technically can do what it needs to do to implement
19 intraLATA presub by February 1999.

20 Wasn't that an issue that we decided in the
21 previous case? Didn't we decide that Pacific Bell
22 would, in fact, be ready to go in 1997?

23 MR. YOUNG: There is no question that we could do
24 it technically. I think the issue there is purely a
25 matter of timing.

26 If you said, Pacific, you've got to do it in
27 February, given, you know, the certain amount of
28 planning ahead, could we get it done as a -- by then.

1 ALJ WALKER: All right. But, technically,
2 Pacific Bell will be ready to go when the Commission
3 orders it to do so?

4 MR. YOUNG: That's correct.

5 ALJ WALKER: Now some of the other questions raised
6 by Mr. Kolto-Wininger, the impact on market share, the
7 cost of doing this, I was under the impression all of
8 those subjects were, in fact, addressed in the intraLATA
9 presub decision or in the settlement attached thereto.

10 MR. YOUNG: I think that's correct, that all of
11 those were.

12 The question would be, given what we now know,
13 would we have to revisit any of those. And I think
14 plainly from our perspective the settlement was
15 negotiated on the assumption that we would be entering
16 the market at the same time. It would be coincident. I
17 think that's apparent from looking at the settlement
18 agreement.

19 ALJ WALKER: Well, it's certainly apparent from
20 looking at the motion.

21 MR. YOUNG: Yes.

22 ALJ WALKER: But the settlement itself doesn't say
23 that, does it?

24 MR. YOUNG: Well, it refers to PB Com and things
25 that we would be doing. We would have to file reports
26 on behalf of PB Com, the "whereas" clauses.

27 I think certainly our assumption was -- and I
28 think the assumption of all parties with regard to

DRAFT Item #1
2/18/99

Decision **DRAFT DECISION OF ALI WALKER** (Mailed 1/7/99)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Alternative Regulatory
Frameworks for Local Exchange Carriers
(IntraLATA presubscription Phase).

Investigation 87-11-033
(Petition to Modify
Filed September 8, 1998)

O P I N I O N

1. Summary

This decision denies a petition to modify our 1987 decision dealing with the date on which Pacific Bell (hereafter, Pacific) must provide intrastate dialing parity to its California subscribers. We reserve the right on our own motion or in response to an appropriate filing to consider whether to direct Pacific to provide dialing parity by a date certain if it does not take prompt and substantial steps to comply with the requirements of our recent Section 271 decision.

2. Background

On September 8, 1998, three telecommunications carriers and a telecommunications association¹ filed a petition to modify Decision (D.) 97-04-083, 1997 Cal.PUC LEXIS 495, to require Pacific to provide intraLATA toll dialing parity (or intraLATA presubscription)² by February 8, 1999.

¹ Petitioners are AT&T Communications of California, Inc.; CALTEL; MCI Telecommunications Corporation; and Sprint Communications Company L.P.

² California has 11 Local Access and Transport Areas (LATAs), served primarily by Pacific and GTE California Incorporated. In D.97-04-083, the Commission directed Pacific to make intraLATA equal access -- the ability to place local toll calls through another telephone carrier without having to dial additional numbers -- available to all of

Footnote continued on next page

DRAFT

In D.97-04-083, this Commission directed Pacific to implement intraLATA dialing parity coincident with its entry into long distance service, which at that time was anticipated in 1997. The Commission accepted the parties' stipulation that further interpretation of the timing of dialing parity was mooted by the Telecommunications Act of 1996 and an order of the Federal Communications Commission (FCC) in effect at that time. (See D.97-04-083, pp. 8-10, Finding of Fact 7.) The FCC order interpreted the Telecommunications Act to require that Bell operating companies implement intraLATA dialing parity coincident with their entry into the long distance market or by February 8, 1999, whichever came earlier.³

Four months after the Commission's decision, on August 22, 1997, the Eighth Circuit United States Court of Appeals overruled the FCC's rules on the timing of intrastate dialing parity on jurisdictional grounds, reserving such matters to the states.⁴

Since Pacific did not enter the long distance market in 1997, and has not done so to date, petitioners now urge this Commission to modify D.97-04-083 to set an alternative deadline of February 8, 1999, for Pacific to provide intrastate dialing parity.

Petitioners contend that Section 251(b)(3) of the Telecommunications Act requires Pacific to provide intraLATA toll dialing parity, and that

its California customers coincident with Pacific's authority to offer long distance interLATA service. Pacific has not yet been authorized to offer long distance service.

³ Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Second Report and Order and Memorandum and Order, CC Docket No. 96-98 (August 8, 1996), at ¶ 59.

⁴ Public Utilities Commission of California v. FCC (8th Cir. 1997) 124 F.3d 934, petition for cert. filed (Nov. 17, 1997).

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Section 271(e)(2)(B) of the Act provides an exception to the dialing parity requirement only until Pacific is authorized to provide long distance, or February 8, 1999, whichever first occurs. They note that two other state utility commissions recently have ruled that Bell operating companies are required to offer intrastate dialing parity by February 8, 1999.⁵

Pacific urges that the petition be denied, arguing that Section 271(e)(2)(B) is permissive rather than mandatory, and that fairness dictates that Pacific should not be required to provide intraLATA dialing parity until it enters the long distance market. It argues that the settlement agreement adopted in D.97-04-083, committing Pacific to performance standards and liquidated damages in providing dialing parity, was based in part on the requirement that it launch long distance service and intrastate dialing parity at the same time.

The Office of Ratepayer Advocates (ORA) filed comments supporting the petition for modification, arguing that recent Commission actions have made Pacific's toll prices competitive in anticipation of intraLATA dialing parity.

A Prehearing Conference with the Assigned Commissioner and the Administrative Law Judge was conducted on November 23, 1998. All parties agreed that this matter could be briefed without hearing and should be resolved expeditiously, with a proposed decision or ruling to circulate on or before

⁵ The Washington Utilities and Transportation Commission held that Sections 251 and 271 of the Telecommunications Act, read together, require dialing parity by February 8, 1999. (Washington Util. & Trans. Comm'n v. US West Communications, Inc., No. UT-980340 (Wash. UTC Oct. 1998).) The Iowa Utilities Board concluded similarly. (In re US West Communications, Inc., No. SPU-98-10 (Iowa Util Bd. Nov. 30, 1998).) However, the Virginia State Corporation Commission recently vacated its earlier order requiring dialing parity by February 8, 1999, and left open the start date, stating that its earlier order had relied on FCC regulations that were struck down by the Eighth Circuit. (Commonwealth of Virginia ex rel. State Corp. Comm'n, No. PUC970009 (VSCC, Nov. 6, 1998).)

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January 8, 1999. Briefs were filed during the week of December 14, 1998, by the petitioning parties, by the ORA, and by Pacific.

3. Discussion

A. Dialing Parity Required by February 8, 1999?

Petitioners argue that Pacific is required by federal law to implement intraLATA presubscription by February 8, 1999, even absent action by this Commission. They suggest that our decision in D.97-4-083 reaches a different conclusion and may, therefore, be contrary to federal law. We do not agree.

Petitioners rely for their assertion on two provisions of the Telecommunications Act, Section 251(b)(3) and Section 271(e)(2)(B).

Section 251(b)(3) states:

"[Obligations of All Local Exchange Carriers.—Each local exchange carrier has the following duties:

"(3) Dialing parity.—The duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service, and the duty to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delay."

Section 271(e)(2)(B) states:

"Limitation.—Except for single-LATA States and States that have issued an order by December 19, 1995, requiring a Bell operating company to implement intraLATA toll dialing parity, a State may not require a Bell operating company to implement intraLATA toll dialing parity in that State before a Bell operating company has been granted authority under this section to provide interLATA services originating in that State or before 3 years after the date of enactment of the Telecommunications Act of 1996, whichever is earlier. Nothing in this subparagraph precludes a State from issuing an order requiring intraLATA toll dialing parity in that State prior to either such date so long as such order does not take effect until after the earlier of either such dates."

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Petitioners argue that Section 251(b)(3) imposes on Pacific Bell a duty to provide dialing parity, qualified only by the limited exception set forth in Section 271(e)(2)(B). Petitioners argue that the exemption from the requirements of Section 251(b)(3) implicit in Section 271(e)(2)(B) expires on February 8, 1999. Read together, petitioners assert, these two sections at a minimum require all Bell operating companies to provide intraLATA toll dialing parity no later than February 8, 1999, the third anniversary of enactment of the Telecommunications Act.

Pacific argues that Section 271(e)(2)(B) merely permits a state to require intraLATA dialing parity after February 8, 1999, but does not mandate such a requirement. Therefore, according to Pacific, the Commission's decision to require dialing parity at the same time Pacific enters the long distance market not only complies with the Telecommunications Act but carries out the intention of Congress to balance competitors' need to have access to 1+ dialing with Bell companies' need to compete in long distance.

We interpret the plain language of Section 271(e)(2)(B) to be permissive rather than mandatory. We conclude that (1) Pacific has the duty under Section 251(b)(3) to provide intraLATA dialing parity in California; (2) this Commission may direct dialing parity no earlier than the company's entry into the long distance market or three years after enactment of the Telecommunications Act; (3) this Commission in D.97-04-083 elected to require intraLATA dialing parity by Pacific coincident with its entry into long distance service, and (4) this Commission in D.97-04-083 did not address the need for an alternative deadline for dialing parity.

As all parties concede, Section 251(b)(3) imposes a duty but not a date. The plain meaning of Section 271(e)(2)(B) is that a state may not set that date earlier than the date of long distance service or three years after passage of

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the Telecommunications Act. Had Congress intended the meaning urged by petitioners, it seems clear that it would have said that a Bell operating company "shall" implement intraLATA toll dialing parity when it was authorized to provide interLATA services or 3 years after the date of enactment of the Telecommunications Act, whichever is earlier. Instead, Congress gave states that had not already acted on dialing parity the option to order the start date, provided that the date was no earlier than start of long distance service or February 8, 1999.

The parties' review of the legislative history of Section 271(e) supports this view. ORA, while urging us on policy grounds to require dialing parity on or soon after February 8, 1999, notes that the language of Section 271(e)(2)(B) was an amendment sponsored by Senators Breaux and Leahy. In introducing the amendment, Senator Leahy explained that, without the amendment, states would have been preempted from requiring dialing parity for in-state toll calls until a Bell company was authorized to provide long distance service. With the amendment, he explained, states could set a time certain for when they could require dialing parity, adding:

"By preserving the Bell companies' dominant position in these markets until they secure long distance entry, the bill as reported would have diminished, rather than increased, the Bell companies' incentives to open their markets to competition as rapidly as possible..

"...[t]he Breaux-Leahy amendment provides a time certain for all other States to be able to implement such dialing parity of the earlier of 3 years after enactment or when the RBOC is granted authority to provide interexchange service. The preemption 'sunset' of 3 years permits those 13 States, Arizona...California...—with proceedings underway, time to complete their proceedings, issue any order for intraLATA toll dialing parity and make plans for implementation, though those States may not implement until the earlier of 36 months

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or until the [RBOC] is authorized to provide inter-exchange services." (141 Cong. Rec. S8349-50, June 5, 1995, emphasis added.)

Both the plain meaning of the statutory language and the legislative history persuade us that, while we were free in D.97-14-083 to state a date certain after February 8, 1999, for Pacific's intraLATA dialing parity, we were not required to do so. Based on this analysis, the decision is not in error, nor is it contrary to federal law. Both petitioners and ORA make sound public policy arguments for changing the decision to state a date certain other than the date of long distance entry, but we decline to do so at this time for the reasons discussed below.

It follows, therefore, that the petition for modification should be and is denied.

B. Status of Dialing Parity

We take official notice that the Commission on December 17, 1998, issued D.98-12-069 dealing with Pacific's draft application for authority to provide long distance service in California. The Commission concluded that Pacific Bell had met 4 of the 14 checklist requirements with which the carrier is required to comply under Section 271 of the Telecommunications Act. The Commission established a comprehensive plan under which Pacific is to meet remaining checklist requirements, and it directed Pacific on or before June 1, 1999, either to file its formal Section 271 compliance filing with the Commission or to establish a date for such filing as the precursor for obtaining interexchange authority.

We note that in the Prehearing Conference for this proceeding, counsel for Pacific acknowledged that the company is ready, technologically, to launch intraLATA dialing parity, and that it now plans to do so (coincident with

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its long distance authority) either in the second quarter of 1999 or shortly thereafter.

We share the frustration of petitioners in dealing with the delay in making the advantages of intraLATA dialing parity available to Pacific's 15 million subscribers in California. Nevertheless, we believe that the orderly process spelled out in D.98-12-069 for implementing Pacific's entry into long distance competition, and the concomitant introduction of in-state dialing parity, best serves the interests of Pacific's ratepayers.

However, as we indicate above, we believe that this Commission has the authority, if not the obligation, to order Pacific to implement intraLATA dialing parity at any time after February 8, 1999. We reserve the right to revisit this issue on our own motion or in response to an appropriate filing if we do not see substantial progress by Pacific in complying with the requirements set forth in D.98-12-069.

C. Timeliness of Petition to Modify

This matter comes to us as a petition to modify D.97-04-083, pursuant to Rule 47 of the rules of Practice and Procedure.^{*} Rule 47(d) provides that a petition for modification must be filed and served within one year of the effective date of the decision proposed to be modified. If more than one year has elapsed, the petition must explain why the petition could not have been presented within one year.

^{*} Petitioners filed their pleading as a motion in another docket. On September 11, 1998, the administrative law judge serving as Docket Office Advisor ruled that the motion should be accepted as a petition to modify, in that it sought to change the finding on the timing issue that had been considered in D.97-04-083. (See Administrative Law Judge's Ruling dated September 11, 1998.) Petitioners did not contest the ruling.

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The intraLATA presubscription decision was issued on April 23, 1997. This petition was filed on September 8, 1998. The reason that it was not filed earlier, according to petitioners, was that petitioners did not know until a few months ago that Pacific would take the position that it was not required to offer dialing parity by February 8, 1999.

What petitioners did know, however, was that the Eighth Circuit Court of Appeals on August 22, 1997, had overturned the FCC's rules on the timing of intrastate dialing parity on jurisdictional grounds, reserving such matters to the states. Petitioners also knew that D.97-04-083 had deemed the timing issue moot on the basis of the Telecommunications Act and the FCC's interpretation of the timing rules.

It follows that petitioners on or about August 22, 1997, knew or should have known that the basis upon which all parties agreed that the timing issue was moot was, arguably, no longer valid. Petitioners have not adequately explained why it took them more than a year after that date to file this petition.

We deem the petition untimely. However, we will not dismiss on that basis. The decision to change the pleading from a motion to a petition to modify was made by the Commission's Docket Office and not by petitioners. Under those circumstances, it would be inappropriate to dismiss on a procedural basis when petitioners did not initiate the procedure in question.

D. Comments on Draft Decision

The draft decision of the ALJ in this matter was mailed to the parties in accordance with PU Code § 311(g) and Rule 77.1 of the Rules of Practice and Procedure.

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Findings of Fact

1. The Commission in D.97-04-083, issued on April 23, 1997, directed Pacific, among other things, to implement intraLATA dialing parity coincident with its entry into long distance service.
2. The Commission in D.97-04-083 accepted the parties' stipulation that the issue of timing of intraLATA dialing parity had been made moot by the Telecommunications Act and by an order of the FCC.
3. Pacific has not yet entered the long distance market, nor has it implemented intraLATA dialing parity.
4. Petitioners on September 8, 1998, moved to modify the order in D.97-04-083 to require Pacific to implement intraLATA dialing parity on the earlier of Pacific's entry into the long distance market or February 8, 1999.
5. Petitioners contend that the Telecommunication Act requires Pacific to implement intraLATA dialing parity no later than February 8, 1999.
6. ORA filed in support of the petition for modification.
7. Pacific opposes the petition, contending that D.97-04-083 was correctly decided as to the implementation of intraLATA dialing parity.
8. Pacific contends that the Telecommunications Act permits states to require intraLATA dialing parity no earlier than Pacific's entry into the long distance market or February 8, 1999.
9. The Commission in D.98-12-069, issued on December 17, 1998, found that Pacific has met 4 of the 14 checklist requirements required as a precursor for obtaining interLATA authority.
10. The Commission in D.98-12-069 directed Pacific on or before June 1, 1999, either to file its formal compliance filing or establish a date for such filing.
11. Petitioners procedurally styled their request a motion.

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12. The Docket Office changed the motion to a petition to modify on the basis that it sought to change the order on dialing parity in D.97-04-083.

Conclusions of Law

1. Pacific has the duty under Section 251(b)(3) of the Telecommunications Act to provide intraLATA dialing parity in California.

2. The Commission may direct Pacific to implement intraLATA dialing parity no earlier than the date the company is authorized to enter the long distance market or three years after enactment of the Telecommunications Act.

3. The Commission in D.97-04-083 required intraLATA dialing parity by Pacific coincident with its entry into long distance service.

4. The Commission in D.97-04-083 did not address the need for an alternative deadline for intraLATA dialing parity.

5. The petition for modification of D.97-04-083 should be denied.

6. The Commission reserves the right to consider an alternative deadline for Pacific's implementation of intraLATA dialing parity if Pacific does not show prompt and substantial progress in complying with the requirements of D.98-12-069.

7. The petition for modification is untimely, but the Commission will not dismiss on that basis.

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ORDER

IT IS ORDERED THAT:

1. The Petition to Modify Decision 97-04-083 to required Pacific Bell to implement intraLATA presubscription by February 8, 1999, is denied.

This order is effective today.

Dated _____, at San Francisco, California.